RNI No. MAHBIL /2009/35827

सत्यमेव जयते

महाराष्ट्र शासन राजपत्र

भाग दोन–संकीर्ण सूचना व जाहिराती

वर्ष १२, अंक २१] गुरुवार ते बुधवार, मे २१-२७, २०२६/वैशाख ३१- ज्येष्ठ ६, शके १९४८ [पृष्ठे ११०, किंमत : रुपये १५.००

प्राधिकृत प्रकाशन

संकीर्ण सूचना व जाहिराती

BRIHANMUMBAI MUNICIPAL CORPORATION

Office of the Assistant Commissioner P/South Ward, S.V. Road,
Goregaon (W.), Mumbai 400 104.

ACP/S/3760 /SR/AEM

NOTICE

Notice Under Section 63(K) of M.M.C. Act

To,
Whomsoever It May Concern

Whereas it is the intention of the Brihanmumbai Municipal Corporation to improve the street prescribed in the schedule hereunder which has been unrestrictedly used by public for more than a period of 12 years in the Public Interest.

And whereas NOC for maintenance / construction of subject 12.20 meter wide access road is granted to BMC by Deputy Collector (General Administration) Mumbai suburban.

And whereas the residents of nearby Adivasipada are following for improvement of the subject road mentioned in schedule. Hence, in view of the powers conferred under section 63 (k) of Mumbai Municipal Corporation Act, 1888, I hereby intend to put to your notice that I intend to level, metal or pave and drain the said access road from Aarey Road to Royal Palm Residency, in Beat No.53, Goregaon (E.). If objection is not received within one month from the date of publication of this notice, the said road shall be treated as 63 (k) road.

Schedules :

Location : Access road from Aarey Road to Royal Palm Residency, Goregaon (East)

Ward : P/South Ward

Proposed Width : 12.20 mtr Average.

Purpose : Improvement of road for public use.

18th May 2026,
PRO/387/ADV/2026-27

Assistant Commissioner,
P/South.

बृहन्मुंबई महानगरपालिका

क्रमांक उप प्रमुख अभियंता/५७५/एम.सी./(इ.प्र.) शहरे

जाहिर सूचना

बृहन्मुंबई महानगरपालिका अधिनियम, १८८८ (आजतागायत सुधारित) च्या कलम २९७ (१) (ब) अन्वये खालीलप्रमाणे जाहिर सूचना देण्यात येत आहे.

बृहन्मुंबई महानगरपालिकेच्या 'जी / उत्तर' विभागातील, नगररचना योजना क्र. २, येथील लेडी जमशेटजी रोड पासून गोपि टॅंक रोड पर्यन्त असलेल्या अस्तित्वातील ७.६२मी. (२५ फूट) नगररचना रस्त्याला प्रस्तावित ९. १५ मीटर रुंदीकरणाबाबतचा प्रस्ताव महानगरपालिकेच्या सभेमध्ये मंजुरीकरीता, सदर सूचना प्रस्तावित केल्यापासून ३० दिवसांच्या नंतर किंवा जेव्हा केव्हा सदरहू प्रस्ताव निकालात काढता येईल, अशा महापालिकेच्या सभेत मांडण्यात येईल.

'जी / उत्तर' विभागातील अस्तित्वातील ७.६२मी. (२५ फूट) रुंदीच्या, नगर रचना (टी. पी.) रस्त्याने बाधित असलेल्या रस्त्याला ९.१५ मी. रुंदी करण्याचे प्रस्तावित आहे. विकास नियंत्रण आणि प्रोत्साहक नियमावली २०३४ नियम क्रमांक १९ (३) टीप (१) च्या अनुषंगाने आणि महानगरपालिका आयुक्त यांच्या क्र. प्र. अभि./ वि.नि./ ७३ / साधारण / २०१९-२० च्या आदेशान्वये ९.०० मी. पेक्षा कमी रुंदीच्या रस्त्याचे स्थळाच्या सदयस्थितीनुसार एमआरटीपी किंवा एमएमसी कायद्यान्वये ९.०० मी. अथवा त्यापेक्षा अधिक रूंदीकरण करण्याचे निर्देशित केले आहे.

मा. महानगरपालिका आयुक्त यांची मंजुरी क्र. एमसीपी / ४८२ दि. ११.०३.२०२६ अन्वये तत्वतः मंजुर केलेली ९.१५ मीटर रस्ता रेषा नकाशावर दर्शविली आहे. ज्यामध्ये प्रचलित ७.६२मी. (२५ फूट) मंजुर रेषा लाल रंगात दर्शविली आहे आणि प्रस्तावित ९.१५ मी. रस्ता रेषा हिरव्या रंगात दर्शविलेली असून सदर नकाशा सहाय्यक आयुक्त 'जी / उत्तर विभाग म्युनिसिपल कार्यालय, हरिश्चंद्र येलवे मार्ग, दादर, मुंबई - ४०००२८ व सहाय्यक अभियंता (सर्वेक्षण) शहर, उप प्रमुख अभियंता (इमारत प्रस्ताव) शहर, नवीन महापालिका इमारत, भगवान वाल्मिकी चौक, विद्यालंकार मार्ग, हनुमान मंदिरासमोर, ॲन्टॉप हिल, वडाळा (पूर्व), मुंबई ४०० ०३७ येथील कार्यालयात कार्यालयीन वेळेत निरिक्षणासाठी उपलब्ध ठेवण्यात आला आहे.

ज्या कोणास उपरोक्त प्रस्तावाबाबत प्रतिवेदने / हरकती पाठवावयाच्या असतील त्यांनी त्या उप प्रमुख अभियंता (इ. प्र.) शहर यांचे कार्यालय, नवीन महापालिका इमारत, भगवान वाल्मिकी चौक, विद्यालंकार मार्ग, हनुमान मंदिरासमोर, ॲन्टॉप हिल, वडाळा (पूर्व), मुंबई - ४०००३७ किंवा सहाय्यक आयुक्त 'जी / उत्तर विभाग म्युनिसिपल कार्यालय, हरिश्चंद्र येलवे मार्ग, दादर, मुंबई - ४०००२८ यांच्या कार्यालयात संबंधित नोटिस प्रकाशनाच्या दिवसापासून ३० दिवसांच्या आत (सुट्टीचे दिवस धरून) प्राप्त होतील अशाप्रकारे पाठवाव्यात. त्यानंतर प्राप्त झालेली प्रतिवेदने / हरकती विचारात घेतल्या जाणार नाहीत, याची कृपया नोंद घेण्यात यावी.

२० मार्च २०२६,
PRO/287/ADV/2026-27.

उप प्रमुख अभियंता
(इमारत प्रस्ताव) शहर.

BRIHANMUMBAI MUNICIPAL CORPORATION

DYCHE/575/MC/(B.P.) CITY

Public Notice

Notice is hereby given pursuant to section 297(1) (b) of Mumbai Municipal Corporation Act, 1888 (as mentioned upto date) that, the undersigned proposes to apply to the Municipal Corporation at their meeting to be held after 30 days from display of this public notices or such day thereafter, as the said application can conveniently be disposed off for authority to accept proposed 9.15M (30'00") wide Regular line to 7.62M(25'00") wide T. P. Road (Guru Nanak Road) from Lady Jamshetji road to Gopi Tank road for the road portion marked 'A-B' in TPS II, Mahim division in 'G/N' ward, Mumbai.

The existing Road is 7.62 Mtr. wide TP road and same is proposed to be widened to 9.15Mtr. under section 297(1)(b) of MMC Act (as mentioned upto date), as per Note-1 of Regulation 19(3) of DCPR 2034 and as per subsequent order of Hon'ble Municipal Commissioner U/no ChE/DP/73/Gen /2019-20 directing to widen the roads of width less than 9.00m. to 9.00m. and above as per site condition through MR&TP Act or MMC Act, 1888.

The proposed alignment of 9.15M (30'00") wide RL is as shown on plan, which in-principally approved by Hon. Municipal Commissioner *vide* approval under No MCP/482 dated 11.03.2026. The prevailing alignment of existing 7.62 Mt. wide TP Road is shown in Red Colour and proposed alignment of 9.15M (30'00") wide RL to be prescribed is shown in Green Colour on plan displayed at the office, Asstt. Commissioner G/North ward, Harishchandra Yalve Marg, Mumbai-400 028 & Asstt. Engineer (Survey) City, Office of the Dy. Ch.E. (Building Proposal) City, Walmiki Chowk Vidyalankar College Marg, Wadala (E.) Mumbai-400 037.

Any person desirous of making any representation to the Corporation or of bringing before the Corporation any suggestion / objection in respect of the said proposal may do so by letter addressed Dy. Ch. E. (Building Proposal) City, Walmiki Chowk Vidyalankar College Marg, Wadala (E.) Mumbai-400037 or Asstt. Commissioner G/North ward, Harishchandra Yalve Marg, Mumbai-400 028 and deliver at the said office within one month from the publication of this notice. The letter received after such date, cannot be considered, which please be noted.

20th March 2026,
PRO/ 287/ADV/2026-27.

Dy. Chief Engineer
(Building Proposal) City.

जिल्हा परिषद, लातूर

विवरणपत्र २०

एकत्रित जमा व खर्चाचे विवरणपत्र सन २०२४-२५

क्रमांक जिपला/ वित्त विभाग/ सीभार-७३/ कार्य-३/ कावी-४८/ २०२६, दिनांक २४ एप्रिल २०२६

अ क्र	लेखाशिर्षाचे नाव	एकुण जमा	लेखाशिर्षाचे नाव	एकुण खर्च
1	2	3	4	5
1	1. कर व फी	0	अ.प्रशासन	7860150
2	2.स्थानिक उपकर	64028120	2. साप्रवि	2254237456
3	3. स्थानिक कर	251132	3. शिक्षण	9396467019
4	4. अनुदाने	4884869948	4. बांधकाम	965083317
5	5. व्याज	222465810	5. लघुपाटबंधारे	74886875
6	7. शिक्षण	1520198	7. आयुर्वेद	4592163
7	8. सार्वजनिक आरोग्य	589610	8. सार्वजनिक आरोग्य	796545757
8	9. सार्व. आरोग्य स्थापत्य	4906	9. सार्व. आरोग्य स्थापत्य	179233921
9	कृषी	5814	कृषी	53723053
10	11. पशुसंवर्धन	151940	12. पशुसंवर्धन	264020429
11	13. सार्वजनिक बांधकाम	13589194	13 वने	3826750
12	14. समाजकल्याण	0	14. समाजकल्याण	701046760
13	14. निवृती वेतन	1393439	18. महिला व बालकल्याण	266924576
14	15.संकिर्ण	30119193	19. नियतीवेतन	0
15	निलंबन लेखा	1480068	20. संकिर्ण	247609879
16	पं.स.उपकर	6061610	निलंबन लेखा	2889003
17	सी एम पी	8679809760	पं.स.उपकर	7067143
	एकुण-अ	**13906340742**	एकुण -अ	**15226014251**
17	कर्ज	552166	कर्ज	0
18	अनामत	105389054	अनामत	148562217
19	तसलमात	1627580	तसलमात	700389
	एकुण-ब	**107568800**	एकुण -ब	**149262606**
20	वितप्रेषण	4490166415	वित्त प्रेषण	4499469175
	एकुण क	**4490166415**	एकुण क	**4499469175**
	एकुण अ+ब+क	**18504075957**	एकुण अ+ब+क	**19874746032**
	सुरवातीची शिल्लक	3943980378	अखेरची शिल्लक	2573310303
	एकंदर एकुण	**22448056335**	एकंदर एकुण	**22448056335**

आप्पासाहेब चाटे,
मुख्य लेखा व वित्त अधिकारी,
जिल्हा परिषद, लातूर.

राहुलकुमार मीना (भाप्रसे)
मुख्य कार्यकारी अधिकारी,
जिल्हा परिषद, लातूर.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

IN INSOLVENCY

The Debtor hereunder mentioned have been adjudged Insolvent in Insolvency Petition No. 2 of 2024 as on 13th March, 2026 by the Hon'ble Insolvency Court.

INSOLVENCY PETITION NO. 2 OF 2024

Re : (1) Smt. Malti Jayant Soni, An Adult, Indian Inhabitant,

(2) Bhavin Jayant Soni, An Adult, Indian Inhabitant,

(3) Snehal Jatin Dharamshi, An Adult, Indian Inhabitant,

(4) Jagruti Ketan Nagda, An Adult, Indian Inhabitant,

All having their address at flat No. 402, Prime Beach Apt., 11th Juhu- Tara Road, Juhu, Mumbai - 400 049. AND Joy Ashiana, Ground floor, North-South Road No.1, Near Bhaidas Hall, Juhu, JVPD scheme, Vile-Parle (W.), Mumbai-400 056.

..... Insolvent.

The Petition was presented to this Hon'ble Court on dated the 2nd day of February, 2024 by Dinesh Kumar Agrawal.

..... Petitioning Creditor.

Dated this 21st day of April, 2026.

MRS. R.V. RANE
Insolvency Registrar,
High Court Bombay.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

IN INSOLVENCY

The Debtor hereunder mentioned have been adjudged Insolvent in Insolvency Petition No. 2 of 2023 as on 15th April, 2026 by the Hon'ble Insolvency Court.

INSOLVENCY PETITION NO. 2 OF 2023

Re : Jaswantsingh Guruchanransingh Virdi, An adult aged about 57 years, Occupation: Business, Indian Inhabitant, Carrying on Business in the name and style of M/s Fine Jigs & Tools, Gala No. L- 04, "B: Wing, Survey No.62, Shree Ganesh compound Chikhaloli, Ambernth (East), District: Thane 421 506 and presently Residing at Flat No. 39, Charming Apartment, Miniland, Bhandup (West), Mumbai - 400 078 .. Insolvent /Own Petitioner

Ex-parte **:-**

Jaswantsingh Guruchanransingh Virdi .. Petitioner

The Petition was presented to this Hon'ble Court on dated the 21st day of November, 2022 by Jaswantsingh Guruchanransingh Virdi Own petitioner.

Dated this 21st day of April, 2026.

MRS. R.V. RANE
Insolvency Registrar,
High Court Bombay.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

IN INSOLVENCY

The Debtor hereunder mentioned have been adjudged Insolvent in Insolvency Petition No. 5 of 2024 as on 6th February, 2026 by the Hon'ble Insolvency Court.

INSOLVENCY PETITION NO. 5 OF 2024

Re : S.B.SINGH, Prop. of Ravindra Engineering address at Unit No.109, Master Mind I.T.Park Royal Palm, Goregaon (East), Mumbai-400 068 and also at 21, New Apolo Estate, Mogra Village, Nagardas Road, Andheri (East) Mumbai- 400 069. .. *Insolvent*.

The Petition was presented to this Hon'ble Court on dated the 7th day of March, 2024 by M/s Tej-Cab Enterprises Pvt. Ltd. .. Petitioning Creditor.

Dated this 1st day of April, 2026.

MRS. R.V. RANE
Insolvency Registrar,
High Court Bombay.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

IN INSOLVENCY

The Debtor hereunder mentioned have been adjudged Insolvent in Insolvency Petition No. 6 of 2024 as on 6th February, 2026 by the Hon'ble Insolvency Court.

INSOLVENCY PETITION NO. 6 OF 2024

Re : S.B.SINGH, Prop. of Ravindra Engineering address at Unit No.109, Master Mind I.T. Park Royal Palm, Goregaon (East), Mumbai-400 068 and also at 21, New Apolo Estate, Mogra Village, Nagardas Road, Andheri (East) Mumbai- 400 069. .. *Insolvent*.

The Petition was presented to this Hon'ble Court on dated the 7th day of March, 2024 by M/s Shripal K. Shah .. *Petitioning Creditor*.

Dated this 1st day of April, 2026.

MRS. R.V. RANE
Insolvency Registrar,
High Court Bombay.

Serial No. M- 262

Multi Commodity Exchange of India Limited

The Securities and Exchange Board of India (SEBI), in exercise of its powers under Section 4 of the Securities Contracts (Regulation) Act, 1956, has, vide its letter SEBI/HO/MRD/MRD-RAC-1/P/OW/2025/000026134/1 dated October 07, 2025, approved amendments to the Bye-laws of Multi Commodity Exchange of India Limited (MCX or the Exchange) proposed by the Exchange vide its letter No. MCX/SEBI-001/CCO/2025 dated June 03, 2025. The amendments to the Bye-laws of the Exchange approved by SEBI are as under and these amendments shall be effective from the date of its publication in the Gazette of India.

BYE-LAWS OF MULTI COMMODITY EXCHANGE OF INDIA LIMITED

1. PREAMBLE

1.1 These Bye Laws shall be known as "The Bye-Laws of Multi Commodity Exchange of India Limited, Mumbai" and are for the sake of brevity and convenience, herein referred to as "Bye-Laws".

1.2 Bye-Laws shall come into force with effect from such date as the Securities and Exchange Board of India (hereinafter referred to as "the SEBI") or the Board of Multi Commodity Exchange of India Limited, (hereinafter referred to as "the Exchange" or MCX) may notify in that behalf.

1.3 These Bye-Laws shall be in addition to the provisions of the Securities Contracts (Regulation) Act, 1956 (hereinafter referred to as "the SCRA") and Rules and Regulations made thereunder and SEBI Act, 1992 and Rules and Regulations made thereunder. These Bye-laws shall at all times be read subject to the provisions of the SCRA and Rules and Regulations made thereunder and SEBI Act and Rules and Regulations made thereunder, as amended from time to time and the, directives, orders, guidelines, norms and circulars issued by the Government of India and/or SEBI from time to time.

1.4 **Precedence Of SCRA And Rules And Regulations Made Thereunder / SEBI Act And Rules And Regulations Made Thereunder**

SCRA, SEBI Act and Rules and Regulations made there under shall have precedence over Bye Laws, Rules and Business Rules. In case of difference between the provisions of any Bye laws, Rules and Business Rules of the Exchange and the provisions of the SCRA and Rules and Regulations made thereunder / SEBI Act and Rules and Regulations made thereunder, the provisions of SCRA and Rules and Regulations made thereunder / SEBI Act and Rules and Regulations made thereunder shall prevail.

1.5 The Exchange issues Rules and Business Rules from time to time for regulating the trades and trade related aspects. The Rules and/or Business Rules so issued shall be binding as much as these Bye Laws.

2. DEFINITIONS

2.1 Unless in the context it is explicitly stated otherwise, all words and expressions used herein but not defined herein shall have the same meanings as specified in the following:

2.1.1 SCRA and Rules and Regulations made thereunder and SEBI Act and Rules and Regulations made thereunder.

2.1.2 The Companies Act 2013 and Rules made thereunder, and the Depositories Act, 1996.

2.1.3 Rules, Business Rules/ Regulations, Memorandum and Articles of Association of Multi Commodity Exchange of India Limited.

2.1.4 Bye laws, Rules and Business Rules / Regulations issued by Multi Commodity Exchange Clearing Corporation.

2.2 In case a term is defined in more than one sources listed above, then its meaning as defined in that statute, which precedes the others mentioned hereinabove, shall prevail, unless in the context it is explicitly stated otherwise.

2.3 With regard to, Bye Laws if not inconsistent with or repugnant to the subject or context, the following words and expressions shall have the meanings given hereunder:

2.3.1 "American Style option Contract" means an option Contract which may be exercised on any day on or before the expiration day. American Style option Contract means an option Contract which may be exercised on any day on or before the expiration day.

2.3.2 "Assignment" means an allocation of an option Contract which is exercised, to a short position in the same option Contract, at the same strike price, for fulfilment of the obligation, in accordance with the procedure as may be prescribed by the Relevant Authority, from time to time.

2.3.3 "Approved Office" means the registered office of the Member, including such premises or offices from where the Member is permitted by the Exchange to trade on the Trading System of the Exchange and/or to carry out back-office activities.

2.3.4 "Approved User" means a person employed or engaged by a Member in his/their own exclusive arrangement with the permission of the Exchange for trading in the Trading System approved by the Exchange.

2.3.5 "Articles" means the Articles of Association of Multi Commodity Exchange of India Limited and includes any modification or alteration thereof for the time being in force.

2.3.6 "Authorized Person" means and includes any person who is appointed as such by a Member upon the approval of the Exchange, as an agent of the Member of the Exchange.

2.3.7 "Base Minimum Capital" means exposure free deposit required from Members, as may be specified by the Exchange and /or SEBI from time to time.

2.3.8 "Basis" variety or grade is the description of a standard variety or grade for a commodity permitted for trading in its futures Contract at the Exchange as specified in the Contract specifications laid down in the Rules and/or Regulations of the Exchange and which is deliverable without any "on" or "off" allowance.

2.3.9 "Board" means the Board of Directors of the 'Multi Commodity Exchange of India Limited' and may be referred to as the Governing Board.

2.3.10 "Books of Accounts, Records and Documents" include books of accounts, records and documents which are required to be maintained by Members of the Exchange under the SCRA and the Rules and Regulations made thereunder, SEBI Act and Rules and Regulations made thereunder and the Bye-Laws, Rules and Business Rules / Regulations of the Exchange and the Clearing Corporation and includes the records maintained in a computer or in any electronic or other form.

2.3.11 "Branch Office" in relation to a Member means any establishment described as a branch, or any establishment carrying on either the same or substantially the same activity as that carried on by the head office, other than the offices of the Clients.

2.3.12 "Buy Order" means an order to buy a Contract traded on the Exchange.

2.3.13 "Buyer" means and includes, unless the context indicates otherwise, the buying Client, the buying Member acting either as an agent on behalf of the buying Client or buying on Member's own account.

2.3.14 "Bye-laws" mean Bye-Laws of the Exchange.

2.3.15 "Business Rules/ Regulations" mean the Business Rules/ Regulations of the Exchange for the time being in force and include Code of ethics /conduct/governance, Circulars, Notices and such other Regulations prescribed by the Relevant Authority from time to time for the operations of the Exchange and these shall be subject to the provisions of the SCRA and the Rules and Regulations made thereunder and SEBI Act and the Rules and Regulations made thereunder and directives issued by the SEBI and Bye-laws and Rules of the Exchange.

2.3.16 "Cash Settled Contract" means a Contract in derivatives which shall be settled by cash settlement rather than delivery of the underlying.

2.3.17 "Certified warehouse" means the Exchange Certified/ Approved designated Warehouse and which includes any place of storage, godown, warehouse, tank, cold storage, silo, store house, vault or any type of storage facility whether temporary or permanent approved by the Exchange or any agency authorized by it and designated as such for storage or for making deliveries to and taking delivery of commodities for fulfilling Contractual obligations resulting from trades on the Exchange.

2.3.18 "Clearing Corporation" means an entity i.e. MCXCCL or any other entity that is appointed/engaged to undertake the activity of clearing and settlement of trades in securities or other instruments or products that are dealt with or traded on MCX.

2.3.19 "Clearing Delivery in relation to settlement of transactions effected on the Exchange" means clearing and settlement of such transactions by delivery through the Clearing Corporation in the manner prescribed in the Bye-Laws, Rules and Regulations of the Exchange.

2.3.20 "Clearing Member" in relation to the Exchange means a person registered as such with the approved Clearing Corporation.

2.3.21 "Client/Constituent" means a person/ entity, who is registered with a Member of the Exchange and/or on whose instructions and on whose account the order/ deal is entered on the Exchange.

2.3.22 "Committee" means any Committee appointed by the Governing Board.

2.3.23 "Commodity Derivative" have the meaning as assigned to it in section 2 (bc) of SCRA.

2.3.24 "Company" means Multi Commodity Exchange of India Limited and shall also be referred to as MCX or the Exchange.

2.3.25 "Contract month, Delivery month, Contract period" means that month in which Contractual obligations in respect of Contracts traded on the Exchange are due for fulfilment by the parties to the Contract.

Explanation: Contract Months shall be referred as 'Contracts' in these Bye-Laws. For example, a futures Contract for settlement in the month of May can be referred to as May Contract.

2.3.26 "Contract" means a Contract for or relating to the purchase or sale of securities or commodity derivatives traded on the Exchange.

2.3.27 "Cross Deals" mean and include deals in which the same Exchange Member is both on buy and sell sides of a trade and where the buy and sell orders have been entered into within such time, as may be specified by the Relevant Authority from time to time, and where the price of both the orders is the same and where the quantity is by and large the same.

2.3.28 "Daily Official List" means the publication in whatever mode, including an electronic mode, issued by or under the authority of the Exchange, which contains details of prices and quantities of the Contracts traded on any given day, and any other relevant information.

2.3.29 "Delivery Centers" are the centers where the commodities permitted for trading on the Exchange can be delivered by the seller against his outstanding short open position through issue of delivery orders / by way of delivery.

2.3.30 "Delivery Order" means an order issued by a seller in the prescribed form of the Clearing Corporation offering delivery of goods at one or more permitted delivery centers in fulfilment of his obligation against an expiring Contract.

2.3.31 "Delivery Order Rate' means the rate at which delivery order / delivery shall be allocated on

the designated tender day or on the Contract expiry date.
Explanation: On expiry date the delivery order rate shall be the Due Date Rate (DDR).

2.3.32 "Delivery" means the tender and receipt of warehouse receipts/ or any other document of title to goods or security in settlement of a Contract.

2.3.33 "Delivery Period Margin" means Margin levied by the Clearing Corporation on the long and short positions marked for delivery till the pay-in is completed by the Member. Once the delivery period Margin is levied, all other applicable Margins may be released.

2.3.34 "Delivery Period" means the period during which the Securities are tendered in terms of the Contracts in fulfilment of the transactions executed under the Byelaws, Rules and Regulations of the Exchange, or under the orders issued in exercise of the powers vested by any of them, and includes tender days as prescribed by the Exchange for different Contract months.

2.3.35 "Due Date/Contract Expiry Day/Contract Maturity Day" means the maturity date (last day) on which a specific Contract in a specific commodity or security expires and is not available for trading thereafter.

2.3.36 "Due Date Rate" means the settlement price fixed for squaring up (closing out) of all the outstanding Contracts in a Contract month on the due date, which are not fulfilled by giving or taking delivery.

2.3.37 "Exchange" means Multi Commodity Exchange of India Limited which may be referred to as MCX or Exchange for brevity hereafter.

2.3.38 "Exchange Certified/ Approved/ Empaneled/ Accredited / Designated/ Appointed Assayer" means an agency approved as such by the Exchange/Relevant Authority for quality testing and certification of the commodities as per relevant Contract specification and circulars issued from time to time.

2.3.39 "Extreme Loss Margin" means Margin to cover the loss in situations that lie outside the coverage of Initial Margin.

2.3.40 "Exercise" means the invocation of right, in accordance with and subject to Rules, Byelaws and Regulations of Exchange or Clearing Corporation, by the option holder.

2.3.41 "Exercise Price or Strike Price" is the price per unit of trading at which the option holder has the right either to buy or sell the underlying upon exercise of the option.

2.3.42 "Exercise Settlement Price", in respect of Exercise Settlement, is the closing price of the underlying on the day of exercise or such other price of the underlying as may be decided by the Relevant Authority, from time to time.

2.3.43 "Exercise Settlement Value" in respect of Exercise Settlement means the difference between the Strike Price and the Exercise Settlement Price for each unit of trading of the option Contract for the purpose of settlement.

2.3.44 "Exercise Style" of an option refers to the price at which and/or time as to when the option is exercisable by the holder. It may either be an American style option or an European style option or such other exercise style of option as the Relevant Authority may prescribe from time to time.

2.3.45 "Expiry Day or Expiration Day" means the last day for trading of the Contract.

2.3.46 "Expiration Time" is the close of business hours on the expiration day of the option Contract or such other time as may be specified by the Relevant Authority from time to time.

2.3.47 "European Style Option Contract" means an option Contract which may be exercised on the expiration day on or before the expiration time.

2.3.48 "Financial Year" means year commencing from 1st April and ending with 31st March of the following year.

2.3.49 "Futures Contract" means a legally binding agreement to buy or sell the underlying asset in future.

2.3.50 "Goods" mean every kind of movable property other than actionable claims, money and securities.

2.3.51 "Gross Open Interest" means the sum of the open interest of the market aggregated over all Contract months pertaining to all Securities.

2.3.52 "Gross open position for a Contract month" or "Outstanding obligations in a Contract" means the sum of either the long positions or the short positions which remain to be settled in that Contract for the Contract month.

2.3.53 "Hours" refer to hours based on Indian Standard Time (IST).

2.3.54 "Initial Margin" means and includes Margin computed through Value at risk (VaR) methodology to cover potential losses for at least 99% of the days subject to minimum percentage floor value as prescribed by the Exchange and/ or SEBI from time to time.

2.3.55 "Last day of trading" means the day on which trading ceases for a particular Contract month in a specific commodity or security and after which trading is not permitted in that Contract.

2.3.56 "Limit Order Book" is a book maintained on the Trading System of the Exchange, which stores unmatched limit orders for matching on the day of entry of the order on the Trading System.

2.3.57 "Limit Order", in the case of a buy order, means the rate at or below which the order may be matched on the Trading System and in the case of a sell order means the rate at or above which the order may be matched on the Trading System.

2.3.58 "Liquid Assets" means assets as specified by the Exchange and/ or SEBI from time to time to cover various Margins and deposit requirements.

2.3.59 "Long Position" means the net outstanding purchase obligations of a person, whether a Member or not, in respect of his transactions in a Contract month for a commodity or security or its price index at any given point of time, whose settlement is yet to be effected.

2.3.60 "Managing Director" means the Managing Director of the Exchange appointed by the Board in accordance with the provisions of the Articles of Association of the Exchange and other applicable regulations and includes Chief Executive Officer appointed as such by the Board or the appointing authority of the Exchange.

2.3.61 "Margin" means a deposit or payment of cash/other specified assets/documents to establish or maintain a position in a Contract and includes Initial Margin, Special Margin, Ordinary Margin, Extreme Loss Margin, Delivery Period Margin, Additional Margin, Event Based Additional Surveillance Margin (E-ASM) and Variation Margin, in or any other type of Margin as may be prescribed by the Exchange from time to time.

2.3.62 "Market Maker" means a Member registered on such terms and conditions, as may be prescribed by the Exchange from time to time for making a market in the specific commodities and/or Contracts assigned to such member.
Explanation: Market maker shall offer at all times during the trading hours of the Exchange, quotations for both buying and selling of Contracts in specific securities.

2.3.63 "Market Order" means an order for a specified quantity of a Contract to be bought or sold at the best available order/quote prevailing on the Trading System(s) of the Exchange at the time of entry of the order on the Trading System(s) of the Exchange.

2.3.64 "Market Type" means and refers to the different markets in which trading is allowed on the Trading System allowed by the Exchange.

2.3.65 "Mark-to-market" means a process by which all the transactions executed in the Exchange for a Contract month are priced at the settlement price decided by the Clearing Corporation and on the basis of which receipts and payments are effected by the / Clearing Corporation.

2.3.66 "Mark to Market Settlement" means settlement of all open positions of Clients /Members done on a daily basis in cash.

2.3.67 "Member/s" as the context may require, means either the Trading Member or the Clearing Member or both;

2.3.68 "Minimum Liquid Networth" means the Clearing Member's liquid assets arrived at after deduction of Initial Margins, Extreme Loss Margins, Additional Margins or any other Margins as may be specified by the Exchange and/or the SEBI from time to time.

2.3.69 "Month" means a month reckoned according to the English calendar.

2.3.70 "Net open interest of the market" means the sum of either the long or short net open positions aggregated over all Contract months pertaining to all Securities, without any netting of the positions of one Contract month with another Contract month.

2.3.71 "Net open position of a person in a commodity or security for a Contract month" means a) the total of long positions that remain to be settled less the total of short positions that remain to be settled if the long positions exceed the short positions and b) the number of short positions that remain to be settled less the number of long positions that remain to be settled if the short positions exceed the long positions.

2.3.72 "Open interest of the market for a specified Contract month" means the total volume of

transactions in a Contract for a Contract month, which remain to be settled. Open interest of the market is equal to either the total long positions, which remain to be settled or the total short positions, which remain to be settled in that Contract for the specified Contract month, the two being always equal.

2.3.73 "Option Contract is a type of Contract in derivatives which gives the buyer/holder of the Contract the right (but not the obligation) to buy/sell the underlying at a predetermined price within or at end of a specified period. The option Contract which gives a right to buy is called a Call Option and the option Contract that gives a right to sell is called a Put Option.

2.3.74 "Option buyer" is a person who has bought an option Contract.

2.3.75 "Option seller" is a person who has sold an option Contract.

2.3.76 "Order" means an offer to buy or sell any Contract through the Trading System permitted by the Exchange for specific Securities.

2.3.77 "Ordinary Margin" means the Margin deposit that is required from the Contracting parties to establish a position in a Contract month and may be called as initial Margin.

2.3.78 "Premium" is the price which the buyer of the option pays to the seller of the option for the rights conveyed by the option Contract.

2.3.79 "Quote" means a bid price and/or an offer price given by an Exchange Member for a Contract on the Trading System.

2.3.80 "Rate" means the price of unit of quote specified in the Contract specifications for a Contract transacted on the Trading System.

2.3.81 "Ready Delivery Contract" means a Contract which provides for the delivery of goods and the payment of a price therefor, either immediately, or within such period not exceeding eleven days after the date of the Contract and subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in respect of any goods, the period under such Contract not being capable of extension by the mutual consent of the parties thereto or otherwise: Provided that where any such Contract is performed either wholly or in part;

(I) by realization authorized of money being the difference between the Contract rate and the settlement rate or clearing rate or the rate of any offsetting Contract; or

(II) by any other means whatsoever, and as a result of which the actual tendering of the goods covered by the Contract or payment of the full price therefor is dispensed with, then such Contract shall not be deemed to be a ready delivery Contract.

2.3.82 "Relative" means a person who is a relative within the meaning assigned under the Companies Act.

2.3.83 "Relevant Authority" means the Board or any Committee or Managing Director or any such authority as may be specified by the Board from time to time as relevant for a specified purpose.

2.3.84 "Relevant Contracts" mean Contracts pertaining to the relevant trading segment of the Exchange.

2.3.85 "Retention Period", in relation to an order, means the period, up to which the unmatched quantity of an order is to be retained on the Trading System of the Exchange, as a standing limit order in the limit order book.

2.3.86 "Rules" mean the Rules of the Multi Commodity Exchange of India Limited approved by the SEBI under the SCRA and the Rules and Regulations made thereunder and/or the SEBI Act and the Rules and Regulations made thereunder.

2.3.87 "Securities and Exchange Board of India" means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act ,1992 herein after referred to as SEBI Act in these Bye-laws for brevity.

2.3.88 "Sell Order" means an order to sell a Contract permitted for trading on the Exchange.

2.3.89 "Seller" means and includes, unless the context indicates otherwise, the selling Client, and the selling Exchange Member acting as an agent on behalf of such selling Client and denotes the selling Exchange Member when he is dealing on his own account.

2.3.90 "Series of Options" means all options of the same class having the same exercise price and expiration day.

2.3.91 "Settlement Day" means the day fixed by the Relevant Authority for Members of the Exchange to settle their transactions as per instruction of the Exchange.

2.3.92 "Settlement Guarantee Fund" is the fund maintained by the Clearing Corporation which shall

be used only for the purpose of settlement guarantee.

2.3.93 "Settlement price for a Contract and a Contract month" means the price of a Contract for the purpose of payment of differences (or dues) pertaining to all fresh and outstanding position that remain to be settled. Settlement price shall be determined for the settlement days and shall be based on price quotations of transactions executed in accordance with the Bye-Laws, Rules and Regulations of the Exchange and other information available on the daily official list.

2.3.94 "Short Position" means the net outstanding sell obligations of a person, whether a Member or his Client, in respect of his transactions in a Contract month for a commodity or security or its price index, at any given point of time, whose settlement has yet to be effected.

2.3.95 "Square off / Close Out" means off-setting partly or fully a long or short position held by a Member or Client.

2.3.96 "Special Margin" means the Margin deposit that is required from the Contracting parties to hold a position in a Contract as specified by the Relevant Authority empowered in this behalf and/or as directed by the SEBI.

2.3.97 "Specific Delivery Contract" means a commodity derivative which provides for the actual delivery of specific qualities or types of goods during a specified future period at a price fixed thereby or to be fixed in the manner thereby agreed and in which the names of both the buyer and the seller are mentioned.

2.3.98 "Standing Order" means an unmatched order, which is retained on the Trading System of the Exchange in the limit order book.

2.3.99 "Strike price interval" is the gap between any two successive strike prices which the Relevant Authority may prescribe from time to time.

2.3.100 "Structured Deals" mean and are similar to cross deals except that the Exchange Members on the buy and sell sides of the trade are different and include deals that subvert the fair price discovery mechanism.

2.3.101 "Tender Period Margin/Pre-expiry Margin" means the Margin which may be increased gradually every day beginning from the pre-determined number of days before the expiry of the Contract as applicable.

2.3.102 "Tenderable or Deliverable varieties or grades" are varieties or grades other than 'basis' variety or grade which are permitted by the Exchange to be delivered or tendered against a futures Contract for a commodity traded on the Exchange with or without the "on" and "off" allowances as may be prescribed from time to time by the Relevant Authority under these Bye-Laws and Rules and Regulations of the Exchange.

2.3.103 "To Input" means to transmit an order to buy or sell a Contract from a trader workstation (TWS) of an Exchange Member and any other information, as may be required, into the Trading System.

2.3.104 "To Match" means an order to sell or a part of an order to sell which matches with an order to buy or a part of an order to buy, or vice versa, in terms of price and quantity, either in part or full, and resulting into a trade.

2.3.105 "Touch Line" means the best bid and offer, together with the related quantity for buy and sale, displayed on the TWS.

2.3.106 "Trade" means a transaction for purchase and sale of a Contract resulting from the matching of a bid to buy or a part of a bid to buy with an offer to sell or a part of an offer to sell, or vice versa on the Trading System of the Exchange.

2.3.107 "Trader Work Station" (hereafter referred to as "TWS") means a computer terminal of an Exchange Member which is approved by the Exchange and which is installed and connected to the Trading System of the Exchange, by whatever name called, for the purpose of trading on the Exchange.

2.3.108 "Trading Member" mean a person/entity who/which has been admitted as a trading Member by the Exchange and has the right to trade on the platform provided by the Exchange in accordance with its Rules, Bye-laws and Regulations;

2.3.109 "Trading Period" means the duration of a Contract prescribed by the Exchange during which a Contract will be available for trading.

2.3.110 "Trading System" means a system which makes available to the Trading Members by whatever method, quotations of securities and disseminates information regarding trades effected,

volumes, etc. and such other notifications as may be placed thereon;

2.3.111 "Trading Segment" or "Segments" mean the different segments or divisions into which the commodities / securities, Contracts and centres of trading are admitted to dealings on the Exchange, as classified by the Relevant Authority for admission of Members to the Exchange and for the purpose of trading on the Trading System approved by the Exchange.

2.3.112 "Trading session of a working day" means the hours of that day during which the sale and purchase of Contracts are permitted by the Exchange.

2.3.113 "Trading-cum-Clearing Member" means a person who is admitted by the Exchange as a Member of the Exchange conferring a right to trade and clear through the Clearing Corporation as a Clearing Member and who may be allowed to make deals for himself as well as on behalf of his Clients and clear and settle such deals only.

Provided that such a Trading-cum-Clearing Member of the Exchange shall be required to become a Member of Clearing Corporation approved by the Exchange.

2.3.114 "Transferable Specific Delivery Contract' means a specific delivery Contract which is not a non-transferable specific delivery Contract and which is subject to such conditions relating to its transferability as the Central Government may by notification in the Official Gazette, specify in this behalf.

2.3.115 "Type of Option" means the classification of an option as either a put or a call or any other option as may be prescribed by the Relevant Authority.

2.3.116 "Underlying" or 'underlying commodity' or 'underlying security' means the commodity or security with reference to which ready, forward, futures, options, price indices, or an index based on underlying goods or activities , services, rights , interests and events and other Contracts are permitted to be traded by the Exchange from time to time

2.3.117 "Unit of Trading" means the minimum quantity of a Contract that can be purchased or sold, as may be specified by the Exchange, from time to time in the Contract specifications for a commodity.

2.3.118 "Unit of Quotation" means the specified quantity of a commodity for which the bid or offer price may be given by an Exchange Member for a Contract month.

2.3.119 "Variation Margin" means the difference between the Contractual monetary value of a Contract and the monetary value of the Contract determined at the settlement price.

2.3.120 "Warehouse / vault Receipt" means a document, whether in physical or electronic form evidencing a commodity being held in the approved warehouse.

2.3.121 " Warehouse Service Provider (WSP)" means an agency approved and accredited by the Exchange for storage and preservation of commodities.

2.3.122 "Working Day" means a day on which the sale and purchase of Contracts is permitted by the Exchange.

Words importing singular number shall include plural number and vice versa. Words importing masculine gender shall include feminine gender number and neuter gender and vice versa.

3. PRELIMANRY

3.1. Subject to the provisions of Bye-Laws, the Articles of Association and Rules of the Exchange, Relevant Authority shall have powers to frame Business Rules/Regulations from time to time for efficient functioning and operations of the Exchange and to regulate the functioning and activities of the Members of the Exchange or Authorised Persons, approved users, and all other persons operating under or through them or dealing with them both inter-se and in relation to the Exchange and, determine trading and delivery specifications for Contracts in commodities / securities and price indices and their derivatives permitted for trading on the Exchange, including method of trading, clearing, settlement, spot price polling mechanism and other operations related thereto and administration of penalties, fines and other consequences, including suspension/expulsion for defaults or violation and media policy. The Relevant Authority, from time to time, amend, add to, alter, modify, delete or repeal any of the provisions of the Business Rules, as may be deemed necessary or appropriate or if so desired or directed by the SEBI.

The Bye-Laws, Rules, Business Rules shall provide inter alia for necessary authorization for taking care of operational requirements, which need to be enforced with immediate effect.

Without prejudice to the generality of the Bye-laws, Rules and Business Rules, when SEBI issues any Regulations, directives, circulars having an effect of amending these Bye-Laws, such amendments shall be deemed to a be a part of these Bye-laws and shall come into effect from the date prescribed in such Regulations, directives or circulars.

3.2. Jurisdiction

These Bye-Laws shall be applicable on all the Members and participants of the Exchange, Authorized Persons, Approved Users, Clients and all entities involved in trading, clearing and settlement of transactions, to the extent specified herein. These shall be subject to the jurisdiction of the Courts in Mumbai, where the Exchange is situated, irrespective of the place of business of the Members of the Exchange in India or abroad. All transactions entered into or executed through the Trading System of the Exchange located at the premises of the Exchange at any place shall be deemed to have taken place in the city of Mumbai only and the place of Contracting as between the Members of the Exchange shall be at Mumbai, irrespective of the locations of the Trader Workstations of the Members connected thereto. All disputes under these Bye-Laws shall be subject to the exclusive jurisdiction of the Courts in Mumbai, irrespective of the location of the place of business of the Members of the Exchange and of their Clients or the place where the concerned transaction may have taken place.

The Bye- Laws, Rules and Regulations of the Exchange shall be governed by and construed in accordance with the laws in force in India. Every Exchange Member shall expressly provide in the Contract Notes to be issued by Members that only the Courts at Mumbai shall have the exclusive jurisdiction for claims in relation to any dispute arising out of or in connection with or in relation to such Contract Notes. The provisions of this Bye-law shall not object the jurisdiction of any court deciding any dispute as between Members and their constituents to which the Exchange is not a party.

3.3. Power To Prescribe Enabling Provisions

The Relevant Authority may, from time to time, may issue clarifications or directives, as may be required from time to time, to remove any difficulty or ambiguity in implementing the provisions of any of the Bye-Laws and Rules of the Exchange, which shall have the same effect as Bye-Laws and Rules framed thereunder.

4. GOVERNANCE OF THE EXCHANGE

4.1. The responsibility for the management of the Exchange shall vest with Board of Directors of the Exchange, which may also be called as Governing Body.

4.2. The strength and composition of the Board shall be in accordance with the Articles of Association of the Exchange and The Securities Contracts (Regulations) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("SECC Regulations") or circulars, clarifications or directives issued there under.

4.3. The Board may constitute statutory Committees and advisory Committees as may be prescribed in the SECC Regulations or in the clarifications, circulars or directives issued there under and / or as may be considered necessary by the Board.

4.4. The terms of reference, quorum, frequency of the meetings, appointment of chairperson of these statutory Committees shall be as prescribed under the SECC Regulations or in the clarifications, circulars or directives issued there under.

4.5. The constitution, terms of reference, quorum, frequency of the meetings, appointment of chairman of the advisory Committees may be prescribed by the Board while constituting them.

4.6. The Board by itself or by constituting Relevant Authority with Members of the Board and senior officials of the Exchange, outside experts, delegate specific powers and / or authorise such Relevant Authority to discharge the functions prescribed under various sections/chapters of these Bye laws.

4.7. No Director of the Board or any Member of any Committee constituted by the Board Committee shall directly or indirectly make unauthorised disclosure or improper use of any information that may come into his possession as a result of his official position or former official position in the Exchange, which if generally known might reasonably be expected to affect materially the price of Contracts traded in the Exchange. Failure to comply with this Bye-Law shall be considered to be a major violation and shall be dealt with by the Board in the manner as it considers appropriate.

4.8. No employee of the Exchange or the designated clearing bank(s) shall (i) directly or indirectly make unauthorised disclosure of any information that may come into his possession as a result of the function of the bank as the clearing bank, (ii) engage directly or indirectly in trading of Contracts that are traded in the Exchange and (iii) directly or indirectly maintain employment with any Member of the Exchange or any person, firm, or corporation which is engaged in activities related to Contracts traded in the Exchange, whether such employment involves or does not involve any compensation whether periodic or otherwise. The designated clearing bank(s) would be responsible for the activities of all its/their employees and any violation by its employees shall be subject to such action, as the Board may deem fit.

4.9. The Relevant Authority may, at his / its discretion, grant permission to the Members of the Exchange or their authorized representatives or approved users to trade through the TWS connected to the Trading System of the Exchange. The Members of the Exchange shall be solely responsible for all the transactions done by or through the respective TWS on the Exchange.

4.10. Subject to the foregoing Byelaw, the Relevant Authority empowered for the purpose either by itself or in consultation with the Clearing Corporation may frame Rules, Business Rules for following:

a. **Trading On the Exchange**

i. Determination of trading sessions and proceedings in such trading sessions on the Trading System of the Exchange, for specified commodities, securities, price indices or their derivatives permitted by the Exchange.

ii. Allotment of TWS to the Members and appointment of approved users.

iii. Determination of units of quotation and trading and variations in bids and offers and minimum and maximum size of orders.

iv. Determination of 'basis' variety and deliverable varieties for different commodities, "on" and "off" allowances for tendering varieties other than the basis, Contract (delivery) months, delivery periods, delivery centres, tender days and the other appropriate terms and conditions of Contracts to be entered into for different commodities, the forms of Contracts, the time, mode and manner of performance of

the Contracts between Members of the Exchange inter-se, between Clients of the Exchange Member inter-se, and between Members of the Exchange and Clients inter-se.

v. Determination of the transaction fees payable by the Members of the Exchange for trading in different commodities and securities and other charges that may be collected by the Exchange from Members, participants, approved users, etc.

vi. Suspension of trading in one or more Contracts permitted for trading in the Exchange.

vii. Procedure for settlement of disputes relating to quality, price and delivery.

viii. Determination of the Due Date Rate and Penalties for non-fulfilment of Contracts by giving or receiving deliveries on the due date.

ix. Norms, procedures, terms and conditions, incidental to or consequential to transfer and closing out of Contracts.

b. **Risk Management & Surveillance Measures Which May Include But Not Limited To The Following:**

i. Various types of Margins on the transactions.
ii. Rates of ordinary Margins and mode of their payment.
iii. Special or additional Margins, and mode of their payment.
iv. Exemption from payment of Margins.
v. Lien on capital and Margin deposits.
vi. Penalty for non-fulfillment and/or evasion of Margin requirements.
vii. Client's liability to pay Margins.
viii. Members' responsibility to collect Margins from the Clients.
ix. Members' responsibility to maintain proper books of accounts.
x. Any other matter relating to trading in the Exchange.

c. **Clearing And Settlement of Transactions**

All the trades done on the Exchange shall be cleared and settled by Clearing Corporation appointed by the Exchange in accordance with the Rules, procedures prescribed by such Clearing Corporation.

d. **Other Aspects Relating To Trading On The Exchange**

i. The Relevant Authority may prescribe the minimum requirements of technical infrastructure like computer systems, software, networking, cyber security arrangements, systems audit prescriptions, procedural audit requirements and such other requirements for Trading System and TWS.
ii. Procedure and content for dissemination of information and announcements to be broadcasted by the Exchange on the Trading System, or its computer system or internet.
iii. Issue of guidelines for advertisements, booklets or circulars to be published by the Members of the Exchange in connection with their business activities.
iv. Appointment of monitoring, surveillance and intelligence agencies for monitoring trading at the Exchange in Contracts for different commodities and securities.
v. Any other matter, as may be decided by the Relevant Authority from time to time.

vi. Norms and procedures for availing services from agency (ies) for undertaking audits of the Warehouse Service Providers and Warehouses.

vii. The disablement of terminals of the Members along with duration of disablement due to shortage of funds, Margin money etc may be disclosed on the Exchange website for every quarter.

e. **Management of the Trading System**

The management of the Trading System of the Exchange shall be under the charge of the employees of the Exchange or such other agency authorized or engaged by the Exchange for this purpose.

f. **Setting-Up Of Settlement Guarantee Fund, Investor Protection Fund And Other Funds**

Norms, procedures, terms and conditions for contribution by Members of the Exchange and others to Settlement Guarantee Fund, Investor Protection Fund or any other fund that may be established.

g. **Conciliation and Arbitration**

All claims, differences or disputes between the Members inter-se and between the Members and Constituents arising out of or in relation to dealings, Contracts and transactions made subject to the Bye-Laws, Rules and Business Rules of the Exchange or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfilment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions and Contracts have been entered into shall be submitted to Arbitration in accordance with the provisions of these Byelaws and Business Rules. The Exchange shall be entitled to facilitate Arbitration for such disputes between the parties as mentioned in the provision of Byelaws and Business Rules, including the Arbitration reference filed by the Members.

4.11. Records for evidence shall be the records of the Exchange as maintained by a central processing unit or a cluster of processing units or computer processing units or on the Trading System of the Exchange, whether maintained in any register, magnetic storage units, electronic storage units, optical storage units or computer storage units or in any other manner or on any other accepted media, shall constitute the agreed and authenticated record in relation to any transaction entered into or executed through the Trading System of the Exchange.

4.12. The records as maintained by the Exchange shall, for the purpose of any dispute or claim between the Members of the Exchange inter –se or between any Member and his Clients or between the Members of the Exchange and the Exchange or the approved Clearing Corporation regarding trading, clearing or settlement of any deal or transaction carried out on the Trading System of the Exchange and reported to the Exchange, constitute valid and binding evidence between and among the parties.

4.13. The Relevant Authority may introduce Liquidity Enhancement Schemes in commodity derivatives and prescribe operational parameters therefor from time to time.

4.14. **Access To Trading**

The Exchange/Relevant Authority may, with respect to the Trading System (which may be

alternatively called as MCX System) prescribe:

4.13.1. The Exchange shall from time to time provide the necessary norms and requirements relating to the use of technology, which may include equipment, software, network, etc., to ensure safety, security and integrity of the Trading System provided by the Exchange so as not to endanger or harm in any way the public interest and / or the interest of the Exchange. These norms shall be binding on the Members of the Exchange.

4.13.2. The Exchange shall provide a Trading System, to the Members to access and carry on trading in the Contracts admitted to dealings on the Exchange.

4.13.3. The Trading System shall be available for facilitating trading in the Contracts permitted for trading on the Exchange and also for trading in such other Contracts, which may be allowed by the Exchange for trading from time to time.

4.13.4. The Exchange may provide an architecture and the infrastructure related thereto, to facilitate the Members of the Exchange to establish connectivity with the Trading System of the Exchange. The Exchange shall have absolute right to specify the maximum number of TWSs that may be allotted to a Member who has trading rights in the Exchange and the conditions for such allotment. The Exchange shall also have absolute right to reject any place or places where it observes that the TWS shall not be installed.

4.13.5. The Exchange may prescribe the specifications/descriptions of hardware, software and equipment and the specifications to carry out the required testing thereof in such manner and time as may be specified by the Exchange from time to time, which a Member is required to strictly adhere to have connectivity with, or use of the Trading System of the Exchange, to ensure compatibility and minimize/avoid technical issues arising out of incompatibility of hardware, software and equipment.

4.13.6. The Exchange may prescribe the specifications/descriptions of hardware, software and equipment and the specifications to carry out the required testing thereof in such manner and time as may be specified by the Exchange from time to time, which a Member is required to strictly adhere to have connectivity with, or use of the Trading System of the Exchange, to ensure compatibility and minimize/avoid technical issues arising out of incompatibility of hardware, software and equipment.

4.13.7. A Member who has trading rights in the Exchange may be authorized to appoint such number of persons as authorized representatives or authorized users, as may be provided in relevant Regulations of the Exchange that may be in force from time to time.

4.13.8. Any Member who has trading rights in the Exchange and is desirous of extending his network, in any manner which facilitates access to the Trading System of the Exchange, shall be required to seek prior approval of the Exchange. Such terminals of a Member may be allowed to be installed by the Exchange at the places from where the Members or authorized representatives or approved users or Clients carry out trading activities. No Member shall install either directly or indirectly any terminal, having access to the Trading System of the Exchange, without prior approval of the Exchange. In case any Member fails to obtain necessary approval from the Exchange for connecting any terminal installed through CTCL connectivity having access to the Trading System of the Exchange, the Member concerned shall be personally responsible for trading done through such terminals and also render himself liable for disciplinary action by the Exchange.

Explanation: Provided where a Client wishes to have a CTCL terminal installed at his place, such Client shall be required to comply with such requirements relating to its use for his own activities, and shall not use it for activities, which may be termed/viewed by the Exchange, as intermediary or by whatever other name called as may be specified by the Exchange from time to time. The decision of the Exchange in this regard shall be final, binding and conclusive on the Member concerned and the

Client. The misuse of such CTCL terminal by his Clients shall render the Member concerned personally responsible for the trading done through such misuse and shall also render him and his Client liable for disciplinary action by the Exchange.

4.14. The Relevant Authority shall have the power to prescribe / frame rules on the following in addition to the specific authority granted to Relevant Authority under different heads of the Bye-Laws and Rules:

4.14.1. the procedure for registration and cancellation of the registration of a person as an authorized representative or approved user or Client;

4.14.2. the conditions required to be fulfilled before a person can be registered as an authorized representative/ approved user/Client;

4.14.3. the conditions required to be fulfilled before an authorized representative/approved user or Client may have access to the Trading of the Exchange;

4.14.4. the maximum number of persons who may be allowed to have access to the Trading System on behalf of a Member;

4.14.5. the procedure for provision and modification of a password used by an authorized representative / approved user / Client to access the Trading System; and

4.14.6. the circumstances in which the Exchange may refuse and/or withdraw and/or cancel the permission to an authorized representative/approved user/Client to have access to the Trading System of the Exchange, either indefinitely or for a specified period or until the fulfilment of conditions, as may be specified by the Exchange from time to time.

4.15. Trading Member Likely To Default (Potential Default)

4.15.1. In case where Exchange is of the view that Trading Member is likely to default in meeting its obligations to the Stock Exchange and/or repayment of funds or securities to the Client, it shall act in accordance with the circulars issued by SEBI from time to time and take steps as prescribed by SEBI in the Standard Operating Procedure (SOP).

4.15.2 The Exchange shall instruct the concerned Bank (s) to freeze the bank accounts maintained by the Trading Member, for all debits/withdrawal by the Trading Member in the event of potential default by the Trading Member in meeting its obligations to the Stock Exchange / Clearing Corporation and/or repayment of securities/funds to his/its Clients. For this purpose, the Members of the Stock Exchange shall submit an undertaking to the Stock Exchange, as per prescribed format, within such time as prescribed by SEBI/Exchange from time to time, for authorizing the Stock Exchange to instruct the concerned bank (s) to freeze the bank account(s) for all debits /withdrawal from such accounts.

4.16. Emergencies And Powers to Handle Emergencies

Whenever the Relevant Authority considers that there is an emergency, corner or crisis in the nature of manipulation, squeeze, bear raid or wherever it appears to such a Relevant Authority that the Contracts are transacted for the purpose of inducing a false or artificial appearance of activity or upsetting the price equilibrium or that the business is being conducted in a manner prejudicial to the interest of the trade or the interest and welfare of the Exchange, the Clearing Corporation may effect special clearance of outstanding Contracts that have been registered or impose additional /special Margins or take such other measures that the Relevant Authority may decide.

4.17. The Relevant Authority shall have power at any time and from time to time to call upon all or any Member

to submit detailed statement giving information relating to Contracts entered into by a Member in such form and in such manner as may be prescribed:

In particular and without prejudice to the generality of the foregoing power, such information may relate to the following matters:

(a) Transactions entered into by a Member with another Member on his own-account and transactions entered into by a Member on behalf of others;
(b) Open positions of a Member and of others on whose behalf the Member has entered into transactions;
(c) stocks of commodities /securities held by a Member or his Clients;
(d) export and import commitments, and export and import orders on hand in respect of a Member and /or his Clients; and
(e) Forward physical purchases and / or sale of a Member and / or his Clients.

4.18. The Relevant Authority shall have power for the purpose of verifying or checking any statement submitted by a Member of the Exchange under these Bye-Laws, to call for the production of the books of any Member and/or call for explanation from any Member. A Member failing or neglecting to submit any such statement or to produce any such books to give any such explanation shall be liable to be dealt with under these Bye-Laws.

4.19. Where the SEBI considers it expedient to do so, it may, directly or through the Exchange, call for periodical statements relating to Contracts entered into by the Members in such form or manner as may be prescribed .

4.20. If, in the opinion of a Relevant Authority constituted for a commodity or a group of commodities, an emergency has arisen or exists, or it is expedient in the general interest of the trade so to do, The Relevant Authority may prohibit all transactions in forward, futures and other Contracts in one or more underlying commodities securities and one or more Contract months at a rate or rates above a maximum and/or below a minimum as may be specified; or all transactions in forward Contracts in one or more underlying commodities /securities, and one or more Contract months for a specified period or until further notice as may be specified.

4.21. If the Relevant Authority and/or the SEBI is of the opinion that continuation of transactions in any forward and futures Contracts in any Contract month is detrimental to the interest of the trade or to the public interest or to the larger interest of the economy of India then notwithstanding anything to the contrary contained in Bye-Laws or any Contract made subject to Bye-Laws, every transaction relating to any Contract month notified under this Bye-Law and entered into between a Member and a Member or between a Member and a Client then outstanding shall be closed out at such rate or rates, appropriate to such Contract or Contracts and with effect from such date as shall be fixed by the Relevant Authority and/or SEBI.

5. MEMBERSHIP

5.1. The Membership of the Exchange shall entitle a Member to exercise such rights and privileges attached to such Membership as he specifically applies for dealing on the Exchange, subject to the Bye-Laws, Rules and Regulations of the Exchange as applicable from time to time.

5.2. The Board may classify the Membership of the Exchange in different categories for different commodities, securities or instruments or derivatives thereon permitted to be traded on the Exchange and provide for different rights and privileges for trading, clearing and settlement of Contracts in any commodity or group of commodities, securities or instruments or derivatives thereon to the Member of different categories.

5.3. A person desirous of securing the Membership of the Exchange may apply for any category of Membership, subject to fulfilling the Membership criteria. The Relevant Authority may prescribe Membership criteria from time to time. Mere fulfilment of Membership criteria shall not entitle an applicant to get Membership of the Exchange. Membership shall be awarded by a Committee appointed by the Board for the purpose.

5.4. The provisions of the Articles of Association and the Bye-Laws, Rules and Regulations applying to individuals shall apply mutatis mutandis to firms, LLP, banks, other financial institutions and bodies corporate who are registered as a Member of the Exchange.

5.5. A Member of the Exchange shall maintain all the required hardware for setting up of TWS and connectivity infrastructure such as VSAT/lease line/Internet or any other such mode of connectivity as main and back ip connectivity as prescribed by the Exchange from time to time.

5.6. A Member of the Exchange shall not assign, mortgage, pledge hypothecate, or charge his right of Membership or any rights or privileges attached thereto,and any such attempt shall not be effective as against the Exchange. The Board shall expel any Member of the Exchange who acts or attempts to act in violation of the provisions of this Rule.

5.7. The Membership rights of the Exchange are transferrable subject to terms and conditions that may be prescribed by the Exchange in this regard from time to time and also subject to prior approval of the Exchange.

5.8. The Board or the Committees appointed for the purpose shall determine the norms and Procedures for storage and dealing in commodities stored in warehouses, delivery procedure, methods of sampling, testing, quality certification, determination of grades and validity / final expiry period, determination of quality and variety, survey, transportation, packing, weighing, applicability of deductions and allowances, and final settlement procedures.

5.9. Members of the Exchange may enter into only such Contracts as approved by the Exchange.

5.10. Members shall enter into Contracts only on the terms and conditions prescribed under the Bye-Laws, Rules and Regulations of the Exchange.

5.11. No Member shall enter into a Contract before trading therein has been commenced/after trading therein has ended in accordance with the Bye- Laws, Rules and Regulations of the Exchange.

5.12. Any Member transacting in any Contract and basis varieties that are not specified by the Exchange shall be liable to be dealt with under Bye-Laws relating to disciplinary action.

5.13 Members shall maintain a record of all their transactions in all Contracts permitted by the Exchange.

5.14 Transactions for Contracts in commodities and securities that are not permitted by the SEBI are prohibited. Any Member who infringes or attempts to infringe or who assists in any infringement or attempted infringement of this Bye-Law shall be liable to suspension and/or expulsion from Membership of the Exchange or any other disciplinary action that the Exchange may take under its Bye-Laws, Rules and Regulations.

5.15 The Members shall be required to maintain Base Minimum Capital, Base Capital, Deposit with the Exchange, as may be specified by the Exchange and/ or SEBI from time to time.

5.16 Clearing Members shall maintain 'Liquid Networth' as specified by the Exchange and/ or SEBI from time to time.

5.17 **Registration And De-Registration of Approved- Users**

5.17.1 Members of the Exchange shall allow only their authorized representatives and/or approved users to operate the TWS, or trade in any other Trading System approved by the Exchange, subject to the following conditions:

5.17.2 The appointment of users shall be subject to such terms and conditions and submission of application in such form as the Relevant Authority may prescribe from time to time in the Rules and Regulations of the Exchange.

5.17.3 The Exchange may, at its discretion, deregister any authorized representative or approved user of a Member for failure to comply with the applicable provisions of the Bye-Laws, Rules and Regulations; but the Member concerned shall continue to be liable for acts of commission and/or omission prior to de- registration by the Exchange and/or loss / damage consequent to the de- registration.

5.17.4 The Relevant Authority shall have the right to disallow any person from being registered as an authorized representative or an approved user, without assigning any reason whatever, or may allow registration with such conditions, as may be deemed necessary by such Authority.

5.17.5 No person shall be appointed at any time as an authorized representative or an approved user by more than one Member.

5.17.6 The Relevant Authority shall have the power to prescribe different levels of usage of the approved system of the Exchange, and may also prescribe norms for enquiry on the TWS, order entry, etc. by the authorized representatives or authorized users of a Member.

5.18 **Market Makers**

5.18.1. The Relevant Authority may specify Contracts eligible for market making from time to time.

5.18.2. The Relevant Authority may prescribe from time to time the operational parameters, criteria & eligibility, procedure for registration, functions, rights, liabilities, suspension and prohibition of market makers.

5.19 In respect of all trades done by the Members of the Exchange, the Exchange will electronically forward reports to the respective Members, including settlement obligations relating thereto. All such reports and obligations shall be binding on the Members of the Exchange.

5.20 The Members of the Exchange shall provide the Exchange with such reports that the Exchange or The Relevant Authority may seek from the Members from time to time. Details of such reports will be provided in the Rules and Regulations of the Exchange.

5.21 The Members of the Exchange shall provide such reports, as the SEBI or the Relevant Authority may prescribe.

5.22 A Clearing Member shall notify the Exchange of any incident, which may endanger the Clearing Member's financial strength or interfere with the Clearing Member's ability to conduct its business in the best interests of the Exchange.

5.23 All Members of the Exchange as well as other market intermediaries shall be required to maintain such Books of Accounts, Registers, Statements and other Records, in physical form or electronically, as may be specified by the Relevant Authority or the SEBI. All such documents and records shall be kept in good order and preserved at least for ten years or such period, as may be specified by the Relevant Authority or the SEBI. All such documents and records shall be made available to the Exchange by the Member for inspection, whenever required.

a. Every Member of the Exchange shall intimate to the SEBI the place where the books of account, records and documents are maintained.

b . Every Member of the Exchange shall, after the close of each accounting period furnish to the SEBI, if so required, as soon as possible but not later than six months from the close of the said period a copy of the audited balance sheet and profit and loss account as at the end of the said accounting period.

Provided that, if it is not possible to furnish the above documents within the time specified, the Member shall keep the SEBI informed of the same together with the reasons for the delay and the period of time by which such documents would be furnished.

5.24 Each Member of the Exchange shall submit itself to audit and investigation by the Exchange and furnish all books, records, files and such other information as required upon the direction of the Exchange. The audit and investigation shall be restricted to the affairs of the Exchange Member as a provider of trading, clearing and settlement services to their Client as also in respect of his trading, either directly or through another Clearing Member.

5.25 In case of any dispute or difference of opinion originating from or pertaining to orders or trades due to a mismatch between the Member's report and the Exchange's report, the report as per records of the Exchange shall be final, conclusive and binding on the Members.

6. CONTRACTS

6.1 The Board or the Committee appointed and empowered for the purpose shall be the authority to finalise Contract specification and modifications in respect of Contracts in commodities and securities and derivatives thereon, for which the Exchange has obtained permission from the SEBI. The Exchange shall before commencement of any Contract obtain prior concurrence of the SEBI.

6.2 Members of the Exchange shall execute and clear transactions in only such Contracts as specified by the Exchange. All transactions in Contracts permitted on the Exchange shall be made only in the manner approved by the Exchange.

6.3 While entering an order in the system, the Member shall specify whether such order is on his own account or it is on account of his Client. If the order is for and on behalf of a Client, he should specify the respective Client identification number.

6.4 All transactions in Contracts permitted on the Exchange shall be cleared, registered and settled by the Clearing Corporation appointed by the Exchange and shall be subject to these Bye- Laws, Rules and Business Rules framed by the Exchange and the Clearing Corporation. The Clearing Corporation shall clear, register and settle the financial performance of the Contracts entered into in the Exchange.

6.5 Members of the Exchange shall issue Contract Note for each of the transaction done by them for their respective Clients on the Trading System of the Exchange. Such Contract Notes shall be issued as per the format prescribed by the Exchange. Members shall not issue Contract Note for any transaction, which has not been executed through the Trading System of the Exchange.

6.6 In respect of all Contracts executed by the Members of the Exchange, it shall be the responsibility of the respective Members to pay all applicable statutory fee, stamp duty, taxes and levies in respect of all deliveries as well as Contracts directly to the concerned Government Departments.

6.7 Only transactions in Contracts for commodities permitted for trading on the Exchange, will be authorized as valid, provided the Clearing Member has paid to the Clearing Corporation adequate security and Margin deposits as prescribed. Clearing Members who clear Contracts shall pay the prescribed security, Margin deposits and variation Margins for their respective outstanding transactions to remain valid. Members of the Exchange whose Contracts are cleared by Clearing Members shall pay the prescribed Margin deposits and variation Margins for their respective outstanding transactions to remain valid.

6.8 Rates and/or prices for the Contracts permitted for trading in the Exchange shall be quoted in accordance with Rules and Regulations specified for that Contract and in the case of commodity derivatives they shall be for the basis variety of the underlying commodity of that Contract and for the base center/place prescribed in the clauses of specified Bye- Laws, Rules and Regulations of that Contract/underlying commodity of that Contract.

6.9 The Board shall whenever required have the right to determine, specify and modify the basis variety for the Contracts in that commodity or group of commodities from time to time.

6.10 The number, and the commencement and expiration cycles of the all Contracts in commodities and other Contracts shall have the approval of the Board or the Committee empowered for the purpose and the SEBI.

6.11 The Exchange shall have the right to determine, specify and modify the position limits with respect to the Contracts permitted on the Exchange. Such position limits could differ for Membership categories and/or differ from Member to Member; and exceptions may be provided by the Board

or the Committee. Position limits and exception rules will be specified in the Regulations specific to each underlying commodity and Contract month.

Provided, the limits prescribed by SEBI from time to time shall prevail over the limits prescribed by the Exchange under this bye law.

6.12 The Board or the Committee as aforesaid with prior approval of the SEBI shall have the right to determine, specify and modify the price limits with respect to the Contracts permitted on the Exchange. Such price limits may include floor and ceiling price for a day or for a specific period. Applicability of the price limits will be specified in the Regulations specific to each commodity or Contract from time to time.

6.13 The Exchange shall have the right to specify and charge transaction fee/ charges, or any other fee/ charges to the Member of the Exchange, as may be permissible under SEBI Regulations.

6.14 A) All outstanding transactions in Contracts for commodities shall in general be for delivery at any one or more delivery points and/or warehouses approved, certified and designated by the Board or the Committee empowered for the purpose.

B) All outstanding Contracts not settled by giving or receiving deliveries shall be closed at the Due Date Rate as fixed by the Board or the Committee empowered for the purpose, together with a penalty as prescribed by the Board or such Committee for those failing to give or receive delivery inconsonance with the directives issued by the SEBI**.**

6.15 The Board or The Committee/Advisory Board, constituted for a commodity or a group of commodities, or the Relevant Authority shall have the right to determine, specify and modify the terms and manner of delivery of that commodity or group of commodities resulting from outstanding transactions in Contracts in that commodity or group of commodities.

6.16 If any party to such Contract defaults in respect of his financial obligations or fails to deliver goods or security on maturity of the Contract, the defaulting Member shall be liable for appropriate disciplinary action by the Relevant Authority and his Contract will be closed out by the Relevant Authority in accordance with the Bye-Laws, Rules and Business Rules issued there under. The Exchange shall then be entitled to recover dues of any defaulting Member from his security deposit and other funds, if any lying with the Exchange, as also from his debtor Members and appropriate amount so recovered for distribution amongst his creditor Members on pro rata basis.

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6.2 Dealings In Options

6.2.1 The Relevant Authority may from time to time introduce new Contracts such as options as permitted by SEBI at such strike prices (‘in the money’, `at the money or near the money’ and ‘out of the money’) for put /call options respectively for every month after the expiry of immediately preceding Contract.

6.2.2 The Relevant Authority may from time to time prescribe the exercise style of an option.

6.2.3 The Exchange may at any time introduce additional series of option Contracts with different exercise prices based on changes in the value of the underlying or such other factors and circumstances including investor interest, market conditions, etc. as may be decided from time to time.

6.2.4 The Relevant Authority may at its discretion suspend trading in Contracts in derivatives, inter alia, on the following grounds:

i. suspension of trading in the underlying securities;

ii. for protection of the interests of the investors;

iii. for the purpose of maintaining a fair and orderly market.

iv. To comply with SEBI/Central Government orders.

6.2.5 If the Relevant Authority is of the opinion that a particular underlying no longer meets its requirements for options trading or is not eligible for trading or if the Relevant Authority decides to discontinue trading in a particular options series for such reason(s) as it may deem fit, it may stop introducing new options on that underlying and may in such circumstances impose restrictions on transactions that open new positions in options series that have been previously introduced.

6.2.6 The Relevant Authority may discontinue trading in a particular option Contract if there are no open positions in such a Contract.

6.2.7 The Relevant Authority may limit the total number of puts or calls on the same underlying that a single investor or group of investors acting in concert may exercise during such time period as may be prescribed by the Relevant Authority from time to time. The Relevant Authority may also limit the maximum number of options on the same side of the market (i.e., calls held plus puts written or puts held plus calls written) with respect to a single underlying that may be carried in the accounts of a single investor or group of investors acting in concert.

7. TRADING ON THE EXCHANGE

7.1 Trading Days

7.1.1 The Exchange shall be open on all days except on such Exchange holidays as the Relevant Authority may declare in advance, at any time, or as may be specified by the SEBI at any time. The days on which the Trading System of the Exchange shall be available for trading in Contracts permitted on the Exchange shall be called as "Trading Days".

7.1.2. The Trading System of the Exchange shall however be available for trading on such holidays as the Relevant Authority or any designated official may decide, from time to time.

7.1.3 The Exchange shall be open for trading on all Trading Days during such hours as Exchange may declare in advance and such time allowed for trading on Trading Days shall be known as Trading Hours.

7.2 Trading Sessions

The Relevant Authority may prescribe different trading sessions for different trading segments on the Trading System of the Exchange, and may also decide on the timings and operational requirements for the same, as may be provided in the relevant Regulations of the Exchange from time to time. Relevant Authority may reduce, extend or otherwise alter the timings of such trading sessions for any particular trading day or days.

7.2.1 Where the Relevant Authority has reduced, extended or otherwise altered the timing of any trading session or sessions, on the Trading System of the Exchange, on any particular trading day or days, the reasons for the same shall be required to be recorded in writing.

7.2.2 The Relevant Authority may, with the approval of the SEBI, alter, Contract, extend or suspend any or all the trading sessions in specific circumstances, for reasons to be recorded in writing. Wherever possible, such changes may be communicated to the Members in advance.

7.3 Alteration Or Cancellation of Exchange Holidays

7.3.1 In exceptional circumstances and for reasons to be recorded in writing, the Managing Director may at any time:

a. alter or cancel any of the Exchange holidays fixed under Bye-Laws.
b. keep the Trading System of the Exchange available for trading on any day notwithstanding that such day had earlier been declared as an Exchange holiday.
c. close trading in any one or more or all Contracts in one or more or all commodities securities in one or more segments on the Trading System of the Exchange for such number of days as may be deemed necessary.

Provided further that when information regarding closure of the trading as aforesaid on the Trading System of the Exchange is so conveyed as to reach the SEBI in the normal course within twenty-four hours of the closure of such trading, the Relevant Authority may close such trading on the Trading System of the Exchange or continuously for any period exceeding three trading days without the approval of the SEBI, till such time as the decision of the SEBI is received by the Exchange.

7.4 Divisions

The Exchange may constitute different divisions for each or group of agricultural commodities, metals and other commodities or securities, as well as for different centers of trading as may be decided by the Relevant Authority and as may be specified in the relevant Regulations from time to time. The Relevant Authority may admit such Contracts for dealings on the Exchange as are eligible under the SCRA, on the respective trading segments of the Exchange.

7.5 Restrictions On Trading

The Relevant Authority may, from time to time, impose such restrictions on trading in such Contracts, or on such Members, as provided in the Bye-Laws, Rules and Regulations relating to Contracts and trading on the Exchange.

7.6 Prohibition On Member from Trading

7.6.1 A Member shall not trade in his own name or through another Member in any Contracts, if the Exchange and/ or the SEBI prohibits him from entering into any such Contracts.

7.6.2 A Member, who has been de-activated or suspended by the Exchange, or any authorized representative or authorized user, who is not approved by the Exchange or whose approval has been rejected or refused or withdrawn or cancelled, shall not be allowed to trade on the Exchange either indefinitely or for such period as may be decided by the Relevant Authority concerned.

7.6.3. Pool Of TWS

To facilitate the Members of the Exchange to carry on trading, the Exchange may, at its discretion, provide a pool or pools of TWS at its premises or in other places as decided by the Exchange and such facility may be extended to the Members of the Exchange on such terms and conditions as may be decided by the Exchange, from time to time. The Members or their authorized representatives, with the prior written permission of the Exchange, may use the facility of any such pool to carry on trading in the Exchange.

7.6.4 Permission to Trade Through TWS

No person shall be permitted to trade through the TWS connected to the Exchange Trading System, unless such person complies with the requirements prescribed in the relevant Rules and Regulations or with such other requirements as the Relevant Authority may, from time to time, prescribe.

7.6.5 Trading with Good Decorum

A person allowed to trade on the Trading System of the Exchange shall be bound to observe the provisions contained in the Articles of Association, Bye- Laws, Rules and Regulations of the Exchange, and maintain proper decorum in his behavior. The Relevant Authority may, in its/his absolute discretion, refuse any person to trade on the Exchange Trading System and may, at any time, withdraw or terminate the right of trading of any such person for reasons to be recorded in writing.

7.6.6 Prices

Prices of the Contracts dealt in on the Trading System of the Exchange shall be recorded in the manner, as may be prescribed in the relevant Rules and Regulations of the Exchange from time to time. No prices shall be recorded for any transaction done on the Exchange, unless it is made in the regular course of trading on the approved Trading System of the Exchange.

7.7 Daily Official List

A daily official list of prices shall be issued by or under the authority of the Exchange. Such daily official list of prices may be published or provided in such media, as may be decided by the Exchange from time to time, or be made available on the official website of the Exchange.

7.8 Trading Facility

a. Transactions on the Trading System of the Exchange may be effected through order driven, quote driven (through market makers or jobbers) and/or such other system as the Exchange may provide for trading in specified commodities / securities and as specified in the relevant Regulations of the Exchange issued thereunder from time to time.

b. The Exchange may at its discretion provide the Trading System to its Members and their Authorized Persons and approved users.

c. No Member shall have any title, right or interest in the Trading System of the Exchange, its facilities, and software and the information provided on the Trading System of the Exchange, and no such claim shall lie against the Exchange at any time.

d. The permission to use the Trading System of the Exchange may be given to a Member, subject to compliance with such with such terms and conditions as the Exchange may prescribe from time to time, which may inter alia include, payment of such deposits and/or charges, as may be provided in the relevant Regulations issued thereunder from time to time.

7.9 Operational Parameters For Trading

The Relevant Authority may prescribe from time to time in the relevant Regulations, the operational parameters regarding transactions in Contracts traded on the Trading System of the Exchange. Such operational parameters may include:

i. determination of functional details of the TWS, including the system design, user infrastructure, user interface and system operation.
ii. determination of the procedure and norms for trading on any other approved Trading System of the Exchange.
iii. limits on trading and open positions mark to market losses, exposure, concentration and on the spread between bid and offer rates.
iv. fixation of units of trading and/or minimum and/or maximum quantity of Contracts or order which may be offered to be bought or sold or the limits on price fluctuations permitted in a day or period.
v. fixation of tick sizes and levels for providing alerts.
vi. determination of the types of trades permitted for a Member and for a Contract.
vii. specifications of different order books, types of orders, order conditions and other details related to orders and trades.
viii. maintenance of recording of transactions executed and the manner of reporting transactions in the prescribed forms to the Exchange and SEBI.
ix. other matters which may affect smooth operation of trading in Contracts permitted on the Exchange.

7.10 Hardware and Connectivity

The Member shall maintain all the required hardware for setting up of TWS and connectivity infrastructure such as VSAT/Lease Line/Internet or any other such mode of connectivity as main and backup connectivity as prescribed and permitted by the Exchange from time to time.

7.11 Loss Of Access to The Trading System

In the event of a failure or malfunctioning of a Member's TWS and/or loss of access to the Trading System, the Exchange may, at its discretion and without any guarantee, undertake on behalf of the Member, to close-out the outstanding transactions of the Member on a valid request received from such Member, subject to such terms and conditions as the Exchange may impose, from time to time.

7.12 Closing-Out– Exchange Member's Responsibility

The Member shall be fully accountable for the closing out of transactions effected by the Exchange on his behalf and shall indemnify the Exchange against any loss or cost arising out of or incidental to such close-out of transactions either directly or indirectly.

7.13 Contingency Pool Of TWS

To facilitate the Members of the Exchange to carry on trading in the event of a failure or malfunctioning of their TWS or loss of access to the Trading System, the Exchange may, at its discretion, provide a contingency pool of TWS at its premises or in other places as decided by the Exchange and such facility may be extended to the Members of the Exchange on such terms and conditions as may be decided by the Exchange from time to time. The affected Members may, with the prior written permission of the Exchange, use the facility of any such contingency pool to carry on trading.

Provided that no liability can be attached to the Exchange in case of failure of the system due to non-provision of Contingency Pool, even if it results into loss to the Members of the Exchange.

7.14 Without prejudice to anything contained in the provisions above, such failure or malfunctioning of his TWS or loss of access to the Trading System or any contingency pool of TWS shall not reduce, alter or affect the liability of a Member or the Clients in respect of any trades, already executed by or through such Member or his authorized representative or approved user.

7.15 Order Management

The conditions and procedures to be followed by a Member or his authorized representatives and approved users for entering, amending or cancelling orders on the Exchange Trading System shall be as specified in the relevant Regulations of the Exchange from time to time, which may, inter alia, specify details to be entered compulsorily from an approved TWS at the time of order entry, such as, Client code, type of order, symbol or Contract code, etc. Similar procedures and conditions shall be specified for trading on any other Trading System of the Exchange, and must be followed by a Member, his authorized representative or approved user.

7.16 The Member shall maintain in the relevant records the orders received from his Client or modifications thereof, as specified in the Business Rules and Regulations issued there under by the Exchange from time to time.

7.17 Trade Management

Trading shall be allowed on the Trading System of the Exchange in such Contracts as may be admitted to dealings on the Exchange and for such categories of Members of the Exchange, trade types, market types, settlement periods and for such trading hours as the Relevant Authority may specify from time to time or as may be provided in the Rules and Regulations and Circulars and Notices issued thereunder, from time to time issued thereunder, from time to time.

7.18 A Member shall be liable for all the trades executed on the Trading System of the Exchange, arising out of orders entered into the system by him. The Member shall be solely responsible for all the acts of commission and/or omission of authorized representatives or approved users, employees and other persons deployed by such Member, in relation to performance of obligations arising therefrom, connected therewith and incidental to such acts of commission and/or omission.

Provided, if the Member satisfies the Exchange that the action and/or the trade took place due to fraud or misrepresentation by any person other than himself, his authorized representative or approved user and/or an employee of the Member that the action and/or the trade did not originate from any of his approved TWS and/or from the TWS pools provided by the Exchange and used by the Member or his authorized representative or approved users to access the Trading System, the Relevant Authority may issue such directions as it considers just and reasonable and the same shall be final and binding on the Member. Such directions may include referring the matter to Arbitration, and/or annulment of trades so effected, after affording an opportunity of being heard to the Member(s).

7.19. Inviolability of Trade and Trade Annulment

7.19.1. All the dealings in securities on the Exchange made subject to the Bye Laws, Rules and Business Rules of the Exchange shall be in-violable and shall be cleared and settled in accordance with the Bye Laws, Rules and Business Rules of the Exchange. However, the Exchange may by a notice annul the deal(s) on an application by a Trading Member in that behalf, if the Relevant Authority is satisfied after hearing the other party/parties to the deal(s) that the deal(s) is/are fit for annulment on account of fraud or willful misrepresentation in the trade.

7.19.2. Notwithstanding anything contained in clause above, the Exchange may, to protect the interest of investors in securities and for proper regulation of the securities market, suo motu annul deal(s) at any time if the Relevant Authority is satisfied for reasons to be recorded in writing that such deal(s) is/are vitiated by fraud, misrepresentation or market or price manipulation and the like.

7.19.3. Any annulment made pursuant to clauses above, shall be final and binding upon the parties to trade(s). In such an event, the trading Member shall be entitled to cancel the relevant Contracts with its constituents.

7.19.4. **Trade Annulment**

7.19.4.1 Trades executed on the Trading System approved by the Exchange are irrevocable and locked-in and shall be cleared and settled in accordance with the Bye- Laws, Rules and Regulations of the Exchange. The Exchange may however, by a notice, annul the trades on an application by the Member or his Clearing Member in that behalf, if the Relevant Authority is satisfied, after hearing the other Member(s) and Clearing Member(s) to the trades, that the trades are required to be annulled on account of fraud or willful misrepresentation or material mistake or entered in the system due to a malicious cyber activity in the trade.

7.19.4.2 Notwithstanding anything contained in Bye-Laws, Rules and Regulations issued thereunder, the Exchange may, to protect the interest of Clients and public and for proper regulation of the market, suo moto annul trades at any time, if the Relevant Authority is satisfied for reasons to be recorded in writing that there exists a sufficient cause which includes fraud, misrepresentation or market or price manipulation, or designing artificial or false market, trades with a design to recover monies or dues or to defraud or misuse the system or system failures & errors and the like.

7.19.4.3 Annulment as provided herein may be for the full quantity or part quantity of the trades.

7.19.4.4 Any annulment of the trades made pursuant to Bye-Laws, Rules and Regulations issued thereunder be final and binding upon the Members of the Exchange. In such an event, the related Contracts issued by the Members to their Clients shall ipso facto stand cancelled and the Clients shall be bound by such annulment without any right of recourse between the Clearing Members and constituent Members and Members of the Exchange and their Clients, as the case may be.

7.20 Order Validation

Orders on the Trading System approved by the Exchange shall be subject to such validation checks relating to quantity, price, value etc., as may be prescribed in the relevant Rules and Regulations of the Exchange

issued thereunder, from time to time. All the orders for purchase or sale of Contracts by a Member shall be required to be entered only through the Trading System approved by the Exchange.

7.21 Matching Rules

The Exchange may from time to time specify in its relevant Regulations the rule or principles to be applied for matching orders on the Trading System of the Exchange, which may vary for different order books. Unless specified, the orders shall be matched on price-time priority.

Where the Relevant Authority is of the opinion that it is in the interest of trade or public interest to do so, it may, at any time, make unavailable any particular order book or forms of matching, in the case of a specific Contract or a group of Contracts or for a Member or a class of Members of the Exchange or Members of the Exchange as a whole.

7.22 Transaction Where the Exchange to Act as a Legal Counter Party

If on an investigation by the Exchange, the Exchange concludes that either all the transactions or part thereof in any Contract are found to have been executed on the Trading System of the Exchange in a fraudulent manner and/ or are done as financial transactions or structured deals and/or with a design to defraud the Settlement Guarantee Fund, the Relevant Authority of the Exchange shall have absolute authority and discretion to withdraw itself as a legal counter party to any transaction.

Provided further that where the Relevant Authority decides to exercise its discretion to withdraw itself as a legal counter party to the transactions, either in full or in part, and /Or either from both sides or single side of the transaction, it shall afford an opportunity of being heard to all the parties affected or likely to be affected by such decision. The decision taken by the Relevant Authority thereafter shall come into force forthwith and shall be final and binding on all the parties concerned, including the Clients.

7.23 Specification Of Codes and Operational Parameters

The Relevant Authority may provide for an appropriate mechanism for specification, alteration and rescission of the unique codes for Contracts, Members, authorized representatives, approved users, participants and Clients, and operational parameters, for tick sizes, trading units, order types, order attributes, order matching logic, market view contents, participation norms for trading through the Trading System approved and adopted by the Exchange. The Relevant Authority may also provide for any other parameters deemed necessary in the relevant Regulations of the Exchange that may be in force from time to time.

7.24 Surveillance, Market Watch System, Investigation And Members Database

The Exchange may, at its discretion, decide to look after the functions relating to surveillance, investigation and any other market related activities, either by itself or by a separate entity through outsourcing or by a separate and distinct entity established by it, either jointly or in collaboration with any other institution**.**

7.25 The Exchange shall not be deemed to guarantee the financial obligations of a defaulting Clearing Member to other Members, who are doing clearing and settlement through him.

7.26 The Exchange shall not be deemed to guarantee the financial obligations of any Member of the Exchange to his/its Clients; and The Exchange shall not be deemed to guarantee the delivery, the title, genuineness, quality or validity of any goods or any documents passing through the Clearing Corporation of the Exchange.

The following provisions shall apply in respect of Contracts that are transacted in the Exchange and then cleared, settled and closed out by the Clearing Corporation in the manner specified by the Clearing Corporation:

7.26.1 Every Member of the Exchange shall be fully responsible for all his commitments to the

Exchange, his Clearing Member and Clients irrespective of whether one or more Clients with whom he has dealings have defaulted. Default of any one or more Clients shall not affect the rights of the Clearing Member. Default of any one or more Clients shall not affect the rights of other Clients with whom the Member has dealings but who are not in default;

7.26.2 The Exchange shall be responsible for its commitments to each Clearing Member whether the remaining Clearing Members with whom it has dealings have defaulted except under circumstances where improper trades not covered under the Settlement Guarantee Fund (SGF) are the cause for default. Default of any one or more Clearing Members shall not affect the rights of the remaining Clearing Members who are not in default. The Bye- Laws, Rules and Regulations shall be applied by the Relevant Authority in the determination of and in the fulfilling of such responsibility of the Exchange;

7.26.3 The Exchange shall not be responsible for the commitments of a defaulting Clearing Member to his/its constituent Members, with whom the Clearing Member has an agreement as per Bye-Laws;

7.26.4 No Clearing Member shall fail to effect clearance, settlement or payment of Margin in the manner specified by the Clearing Corporation or fail to pay damages to the Clearing Corporation or fail to effect delivery merely on the ground of default of others including his constituent Members of the Exchange and Clients; and

8. MARGINS

8.1 In respect of Contracts that are transacted on the Exchange, buyers and sellers shall post such amount as initial Margin and such other Margins, as may be specified by the Relevant Authority and / or Clearing Corporation from time to time.

8.2 The Relevant Authority may square off an open position of a constituent Member and or Clearing Member when the call for further Margin or any other payment due is not complied with by such constituent Member or Clearing Member.

8.3 Failure to pay mark to market settlement / obligation may lead to the Exchange Members being deactivated / suspended and declared as defaulters by the Exchange. The Relevant Authority may also take such other immediate measures including square off of outstanding open positions. The Exchange may also take disciplinary actions against the defaulting Members, as it may deem fit.

8.4 Margin deposits received by Clearing Members from their constituent Members and Clients in any form shall be accounted for and maintained separately in segregated accounts and shall be used solely for the benefit of the respective constituent Member's and Client's positions.

8.5 The Relevant Authority may square off the cleared open positions of a Clearing Member when the call for further Margin or any other payment due is not complied with by the Clearing Member as per the procedure laid down by the Exchange.

8.6 Members of the Exchange shall post and accept Margin deposits only in such form as may be permitted by the Relevant Authority.

8.7 The Margin account of Members shall be authorized by Clearing Members only for settling the dues to the Clearing Member upon marking-to- market or for fulfilling the obligations resulting from their open positions; and

8.8 Members shall furnish their Clients in writing such reports and at such intervals as may be specified by the Relevant Authority.

8.9 Every Clearing Member shall collect from constituent Members, with whom he has an agreement to provide clearing and settlement services as per Bye-Laws, all such Margins as specified by the Relevant Authority on the transactions executed by constituent Members for clearing and settlement.

8.10 The Exchange shall prescribe such additional or ad hoc Margins as may be considered necessary from time to time and authorise Clearing Corporation to collect the same from Members.

8.11 The Member depositing Margin, in the form of specified assets, shall always maintain the value thereof at not less than the Margin amount for the time being covered by them, by providing further specified assets to the satisfaction of the Exchange, which shall always determine the said value and whose valuation shall conclusively fix the amount of any deficiency to be made up from time to time.

8.12 All Margin deposits shall be held by the Exchange / Clearing Corporation and or by the approved persons and /or by the approved Bank / Custodian solely for and on account of the Exchange without any right whatsoever on the part of the depositing Member or those in its right to call in question the exercise of such discretion.

8.13 A Member depositing Margin under the provisions of these Bye Laws and Regulations shall when required to do so sign a Letter of Declaration in respect of such matters and in such form or forms as the Relevant Authority may prescribe from time to time.

9. DELIVERY

9.1 The Relevant Authority may specify in advance before commencement of a Contract various grades of a commodity that may be tendered and the discounts and premiums for such grades.

9.2 All Contracts outstanding at the end of the last trading day of the Contract month of the maturing Contract shall be closed-out by the Relevant Authority at the due date rate as fixed by the Relevant Authority.

9.3 Relevant Authority may prescribe penalty on sellers with outstanding positions who fail to issue delivery orders. In case of buyer default or seller default, the Exchange shall guarantee financial compensation to make good any monetary loss to non-defaulting party.

9.4 The buyer who fails to accept the delivery orders shall be required to pay the difference between the settlement price and the due date rate and in addition to the same, they shall be required to pay such penalty, as may be decided by the Exchange. In case of buyer default or seller default, the Exchange shall guarantee financial compensation to make good any monetary loss to non-defaulting party.

9.5 Failure to pay the dues and penalties relating to such closing out within the stipulated period shall cause the Member to be declared as defaulter, and render him liable for disciplinary action.

9.6 Every Delivery Order shall be tendered for the units of delivery specified for the commodity, or multiples thereof and the same shall be issued at the Delivery Order Rate fixed by the Relevant Authority on the day of tender. A seller who issues Delivery Order / delivery shall receive from or pay to the Clearing Corporation through the respective Clearing Member the difference between the Contract rate or the last settlement rate, as the case may be, and the Delivery Order Rate. A buyer who is assigned a Delivery Order / delivery shall receive from or pay to the Clearing Corporation through the respective Clearing Member the difference between the immediately preceding trading day's settlement price and the Delivery Order Rate in addition to the amount payable for the value of delivery.

9.7 A seller Member is entitled to offer delivery only at the delivery centers specified by the Exchange in advance for the respective commodity. Delivery can be tendered at such specified centers strictly as per the delivery procedure specified by the Exchange. Before tendering delivery, the seller is also required to obtain a certificate from a surveyor empaneled by the Exchange and such certificate shall be accompanied with the delivery order being tendered by him to the Clearing Corporation. The certificate issued by the surveyors or agencies including laboratories shall clearly specify the quality of the goods tendered and shall also confirm that such quality is tenderable as per the Contract specification of the Exchange. In case of non-compliance of any of these conditions, the delivery order / delivery is rejected ab initio.

9.8 Members of the Exchange and the Clients / constituents dealing through them shall strictly abide by the delivery procedure, methods of sampling, survey, transportation, storage, packing, weighing and final settlement procedures, as may be specified by the Relevant Authority from time to time. Any violation of such method will be dealt with by the Relevant Authority in the manner, as may be specified from time to time**.**

9.9 A seller of commodity shall deliver the quantity as per his net sale position in the expiring Contract during the period specified in the Rules and Regulations of the Exchange issued thereunder from time to time for the specified commodity, which should confirm to the quality specified by the Exchange in the Contract specification. In case of any failure to do so, such net sale position shall be closed out as per the Due date rate and the seller shall be required to pay the difference, as determined by the Clearing Corporation and penalty in addition thereto.

9.10 A buyer shall be required to lift delivery from the specified warehouse within the period prescribed by the Relevant Authority, as per the delivery order / delivery assigned to him. In case of his failure to do so, he shall be required to pay the warehouse charges, insurance charges and other expenses relating to

storage for the incremental period.

9.11 The Exchange may appoint a panel of surveyors or agencies including laboratories, for the purpose of quality and weighment /quality certification of commodities tendered through delivery orders / delivery.

9.12 In respect of Contracts for commodities the failure to give delivery of goods by the seller under the Delivery Order issued by him or the failure to take delivery of goods by the buyer under the Delivery Order assigned to him shall render such seller or buyer a defaulter and the Clearing Corporation shall forthwith square off all his outstanding positions in Contracts for all commodities / securities traded by him. The amount due from such defaulting seller or buyer, including the total financial loss, if any, in respect of all his outstanding Contracts squared off by the Clearing Corporation shall be recovered from his Clearing Member out of the defaulter's security deposits, Margins, receivables in the Contract for all commodities / securities, etc. standing to his credit. If after such adjustments, there is a shortfall, the said Clearing Member shall also be declared as a defaulter and shall be liable for such disciplinary action as the Relevant Authority may decide in the matter.

9.13 The Relevant Authority shall decide the inward and outward payment days in respect of Contracts, which are fulfilled by issue of delivery orders / delivery by the sellers.

9.14 The Relevant Authority shall have the power to extend the period of delivery or provide for a longer period of delivery in the Delivery Orders itself if in its opinion, such an extension of time has become necessary due to force majeure or labour strike or for any other reason as the Relevant Authority deems fit, the reasons for which shall be recorded and the Relevant Authority shall advise the Clearing Corporation of such exercise of power.

9.15 Both the Seller and the Buyer, for effecting the transaction and deliveries shall comply with the statutory requirements as applicable and in force from time to time.

9.16 Notwithstanding anything contained in Bye-Laws, the Exchange shall ensure good delivery.

10. SETTLEMENT GUARANTEE FUND

a. The Clearing Corporation shall establish and manage a "Core Settlement Guarantee Fund". "Core Settlement Guarantee Fund" means a fund established and maintained by Clearing Corporation to guarantee the settlement of trades executed on the platform of the Exchange in accordance with the framework laid down by SEBI.

b. The norms, procedures, terms and conditions governing the creation, maintenance and utilization of the Core Settlement Guarantee Fund shall be in accordance with the relevant provisions of the Bye-Laws of the Clearing Corporation.

i. **Contribution to and Deposits with Settlement Guarantee Fund**

The Exchange may contribute such amount to the Core Settlement Guarantee Fundas may be specified by the SEBI and/or as agreed between the Exchange and the Clearing Corporation.

1. The Exchange shall enter into suitable arrangement with the Clearing Corporation for the purpose of guaranteeing settlement of bonafide transactions executed on the platform of the Exchange by the Members of the regional stock Exchanges, provided the Exchange has entered into arrangements with such regional stock Exchanges and such payments from the Core Settlement Guarantee Fund is directed by SEBI.

2. The contribution made by the Exchange to the Core Settlement Guarantee Fund, shall be returned back to the Exchange in the following eventualities:
   a) Discontinuation of services of the Clearing Corporation.
   b) Discontinuation of a segment by the Exchange
   c) Discontinuation of activities as a stock Exchange
   d) Any other situations which according to the Exchange, renders the arrangement between the Exchange and the Clearing Corporation unviable.

11. INVESTOR PROTECTION FUND

11.1 The Exchange shall establish and maintain an Investor Protection Fund to be held in trust by Multi Commodity Exchange Investor Protection Fund Trust (Trust).

11.2 In case of declaration of a Member as a defaulter, the Exchange shall publish a notice in newspapers in the manner specified by SEBI from time to time. The notice shall contain such particulars, including the particulars regarding a defaulter Member, and documents to be submitted by investors for processing their claim, as may be determined by the Relevant Authority from time to time.

11.3 A claim for compensation in respect of a default shall be made in such form and manner as specified by SEBI/Exchange from time to time. Any claim which is not made within the stipulated period shall be barred unless the concerned Committee of the Exchange otherwise determines. The claims lodged by an investor will be processed in accordance with procedures as may be laid down by the Exchange.

11.4 The Exchange shall ensure that once a Member has been declared defaulter, the claim(s) shall be placed before the relevant Committee for sanction and ratification. The relevant Committee's advice with respect to legitimate claims shall be sent to the Trust for disbursement of the amount.

11.5 Object of the Fund

The Object of the Fund shall be:

a) to protect and safeguard the interest of investors/Clients, in respect of eligible/legitimate claims arising out of default of the Member of the Exchange, and

b) to impart investors/Client education, awareness, research or such other programmes as may be decided by the SEBI and or the Exchange from time to time out of the interest earned on investments of the Fund.

c) to provide monetary relief to investor during the course of pendency of proceedings, as per guidelines/circulars issued by SEBI from time to time.

11.6 Composition of Fund

The monies/amounts to be contributed by any person/entity/Exchange to the Investor Protection Fund (Trust) shall be in accordance with the provision/direction issued by SEBI or any other Relevant Authority from time to time.

11.7 Management of the Fund

The Trustees shall have entire control over the management of the Fund. The Trustees shall meet at regular intervals as defined under Trust deed.

11.8 Threshold limit of claim

The amount to be paid to the investor from Investor Protection Fund as may be approved by the Trust from time to time. The Trust shall disburse the compensation to the claimants as and when claims have been crystallised against the defaulter and admitted for payment by the Trust based on the recommendations, if any, of the relevant Committee and such compensation shall not be more than the maximum amount fixed for a single claim.

In case the claim amount is more than the maximum compensation limit under Investor Protection Fund or the amount sanctioned and ratified by the relevant Committee is less than the claim amount then the investor will be at liberty to prefer for Arbitration outside the Exchange mechanism/any other legal forum outside the Exchange mechanism for claim of the balance amount.

11.9 All the Investments of IPF Trust shall be in accordance with the Guidelines/Circulars issued by SEBI/the

Exchange/Relevant Authority from time to time, Trust Deed and the Rules made thereunder.

11.10 The Trust shall have the power to utilise the funds in accordance with the Guidelines/Circulars issued by SEBI/the Exchange/Relevant Authority from time to time, Trust Deed and the Rules made thereunder.

11.11 Cost / Expenses of the Administration of the Fund

All costs, charges and expenses necessary for attainment objectives of the Trust and incidental to the management and administration of the Trust in accordance with the Circulars/Direction/Guidelines issued by SEBI or any other Relevant Authority from time to time shall be paid out of this Fund.

11.12 Liability of the Fund

The liability of the Fund shall not exceed the funds available with the Trust and in respect of any unpaid claims, on account of insufficiency of funds, the Exchange / Trust/ Trustee shall not be liable and the investor/ Client may proceed against the Member declared as Defaulter for the same.

11.13 Unutilized Fund in case of winding up

In case the Exchange is wound-up, then the balance in the Fund lying un-utilized with the Trust, shall be treated as per the provision laid down for the same by the SEBI/any other Relevant Authority.

11.14 Discretionary Nature of Fund

The Fund shall be discretionary fund and the Trust/ Trustees or the Exchange shall be under no legal obligation to collect the debt of a defaulter Member and / or to make payments from the Fund as mentioned in this Chapter.

11.15 The Exchange may arrange to provide administrative assistance to the Trust to facilitate the processing and settlement of investor claims.

11.16 Investor Service Fund

The Exchange shall set up, Monitor and Utilize the Investor Services Fund in accordance with the terms and conditions prescribed by SEBI/Exchange/Relevant Authority from time to time.

12. RIGHTS AND LIABILITIES OF MEMBERS AND CONSTITUENTS

12.1 Members Not Bound to Accept Instructions and Orders of Constituents/Clients

A Member may not accept instructions or orders of constituents for purchase or sale of Contracts or commodities where circumstances appear to justify such non-acceptance or rejection on reasonable grounds.

12.2 Constituent in Default

a) A Member shall not transact business directly or indirectly or execute an order for a constituent or trading Member who to his knowledge is in default to another Member unless such constituent shall have made a satisfactory arrangement with the Member who is his creditor

b) On the application of a creditor Member who refers or has referred to Arbitration its claim against the defaulting constituent as provided in these Bye Laws, Rules and Business Rules, the Relevant Authority or any other duly Authorized Person in that behalf shall issue orders against any Members restraining them from paying or delivering to the defaulting constituent any monies or collateral, up to an amount or value not exceeding the creditor Member's claim payable or deliverable by him to the defaulting constituent in respect of trades/ transactions entered into subject to and in accordance with the Bye Laws, Rules and Business Rules of the Exchange, which monies, commodities and securities shall be than deposited with the Exchange/ Clearing Corporation.

The monies, and collateral deposited shall be disposed of in terms of the Award in Arbitration and pending a decree shall be deposited with the concerned Court when filing the Award unless the creditor Member and the defaulting constituent mutually agree otherwise.

12.3 Closing-Out of Constituent's Account

a) The Relevant Authority may close-out open positions of a constituent or transfer his open positions to another Member under such circumstances as may be specified by the Relevant Authority from time to time.

b) When closing-out the account of a constituent, a trading Member / Clearing Member may close-out in the open market and any expense incurred or any loss arising there from shall be borne by the constituent or assume or take over such transactions to his own account as a principal at prices which are fair and justified by the condition of the market. The Contract Note in respect of such closing-out shall disclose whether the trading / Clearing Member is acting as a principal or on account of another constituent.

12.4 If a Member fails to complete the performance of a Contract by delivery or payment in accordance with the provisions of these Bye Laws, Rules and Business Rules the constituent shall, after giving notice in writing to the trading Member / Clearing Member and Relevant Authority, close-out such Contract through any other trading Member / Clearing Member of the Exchange or make an application to the Relevant Authority for transfer of Contracts to another trading Member as soon as possible and any loss or damages sustained as a result of such closing-out or transfer, as the case may be, shall be immediately payable by the defaulting trading Member/ Clearing Member to the constituent. If closing-out or transfer has not been effected as provided herein, the damages between the parties shall be determined on such basis as specified by the Relevant Authority from time to time and the constituent and the trading Member / Clearing Member shall forfeit all further right of recourse against each other.

12.5 No Lien on Constituent's Commodities

If a Member is declared a defaulter after delivering commodities on account of his constituent, the constituent shall be entitled to claim and on offering proof considered satisfactory by the Relevant

Authority, and in the absolute discretion of the Relevant Authority, receive from the Exchange, accordingly, as the Relevant Authority directs, either such commodities /goods or the value thereof subject to payment or deduction of the amount if any due by him to the defaulter.

13. INVESTOR SERVICE CENTRE AND ARBITRATION

13.1 Definitions

1. "Arbitrator" shall mean a sole Arbitrator or a panel of Arbitrators.

2. "Act" shall mean the Arbitration and Conciliation Act, 1996 and includes any statutory modification, replacement or re-enactment thereof, for the time being in force.

13.2 Investor Service Centre (ISC)

The Exchange shall set up Investor Service Centres in such places as may be necessary or identified by the SEBI from time to time, for the benefit of public / investors. The ISCs shall render such services as may be decided by the Exchange / SEBI from time to time to the Investors/Clients. The ISCs shall also provide facilities for receiving/ recording investor/ Client complaints, register the complaints and provide counselling service to the Investors/Clients. The ISCs shall act as facilitation desks to assist investors/Clients engaged in dispute resolution process by obtaining documents/details from the Exchange wherever so required for making application.

13.3 Investor Grievance: An investor/Client may submit his complaint/dispute against any Member of the Exchange through SCORES (SEBI Complaints Redress System) or through SMARTODR Portal or through E-mail or in writing to the Exchange. In case the matter does not get resolved within timelines as prescribed from time to time, the same shall be escalated to next level / conciliation as per circulars issued by the SEBI from time to time for redressal of the complaint/dispute.

13.4 Threshold limit for interim relief paid out of IPF in Stock Exchanges *(applicable for Complaints / Arbitration / Appellate Matters received on/before August 15, 2023)*

In case, the order is in favour of Client and the Member opts for Arbitration wherein the claim value admissible to the Client is not more than Rs. 20 lakhs (Rs.Twenty lakhs), the following steps shall be undertaken by the Stock Exchange:

a. In case the GRC order is in favour of the Client, then 50% of the admissible claim value or Rs. 2.00 lakhs (Rs. Two lakhs), whichever is less, shall be released to the Client from IPF of the Stock Exchange.
b. In case the Arbitration Award is in favour of the Client and the Member opts for appellate Arbitration, then a positive difference of, 50% of the amount mentioned in the Arbitration Award or Rs. 3.00 lakhs (Rs. Three lakhs), whichever is less, and the amount already released to the Client at clause (a) above, shall be released to the Client from IPF of the Stock Exchange.
c. In case the appellate Arbitration Award is in favour of the Client and the Member opts for making an application under Section 34 of the Arbitration and Conciliation Act, 1996 to set aside the appellate Arbitration Award, then a positive difference of, 75% of the amount mentioned in the appellate Arbitration Award or Rs. 5.00 lakhs (Rs. Five Lakhs), whichever is less, and the amount already released to the Client at clause (a) and (b) above, shall be released to the Client from IPF of the Stock Exchange.
d. Total amount released to the Client through the facility of interim relief from IPF in terms of this Circular shall not exceed Rs. 10.00 lakhs (Ten lakhs) in a financial year.

13.5 The amount released to the investor/Client from IPF as per the admissible claim will be

replenished back to IPF from the deposit or collaterals or any other amounts, including the blocked amount of the Member available with the Exchange and the balance will be paid to the investor/Client in the following cases *(applicable for Complaints / Arbitration / Appellate Matters received on/before August 15, 2023)*:

a. The Member informs the Exchange, within 7 days from the date of signing of IGRP directions ascertaining the admissible claim amount, his intention to refer the matter to Arbitration and fails to refer the matter to Arbitration within the prescribed time limit i.e. three years.
b. The Member fails to inform the Exchange his intention to prefer an appeal before Appellate Arbitrators of the Exchange or court or intention to make a request u/s 33 of Arbitration and Conciliation Act, 1996 for rectification or correction of Award, against the Arbitral Award, within 7 days from the date of receipt of Award.
c. The Member informs the Exchange his intention to prefer an appeal before Appellate Arbitrators of the Exchange or court but fails to prefer the same within prescribed time limit (one month from date of receipt of Award in case of appellate Arbitration and three months from date of receipt of Award, in case of petition in court).For cases where request is made under Section 33 of Arbitration and Conciliation Act, 1996 for clarification or rectification of Award, the one month period in case of appeal and three months period in case of petition mentioned above will be from the date of receipt of the order passed by Arbitrator u/s 33 applications by the Member.
d. The matter is decided in favour of the investor/Client after conclusion of Arbitration or Appellate Arbitration, or court proceedings and the Member decides not to pursue the matter further.

13.6 Arbitration Subject to the Arbitration and Conciliation Act

The Arbitration proceedings as provided for by the provisions of these Byelaws and Regulations shall be subject to the provisions of the Act to the extent not provided for in these Byelaws or the Regulations.

The Regulatory Oversight Committee or such other Committee as prescribed by SEBI shall oversee the Arbitration Mechanism of the Exchange.

13.7 Reference to Arbitration

a. All claims, differences or disputes between the Members inter se and between Members and Constituents arising out of or in relation to dealings, Contracts and transactions made subject to the Bye- Laws, Rules and Regulations of the Exchange or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions and Contracts have been entered into or not shall be submitted to Arbitration in accordance with the provisions of these Byelaws and Regulations that may be in force from time to time.

b. All claims, differences or disputes between the Members and Authorised Persons and between Authorised Persons and Constituents arising out of or in relation to dealings, Contracts and transactions made subject to the Byelaws, Rules and Regulations of the Exchange or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions and Contracts have been entered into or not shall be submitted to Arbitration in accordance with the provisions of these Byelaws and Regulations that may be in force from time to time.

Provided however, in case of claims, differences and disputes to which Authorised Person is a party, the Member with whom such Authorised Person is associated shall be made a party to

the proceedings along with the Authorised Person. Explanation: For the purpose of these Byelaws, an Authorised Person will have the meaning assigned to the term in the Rules, Byelaws and Regulations of the Exchange.

c. The provisions of these Bye Laws shall become applicable to all claims, differences, disputes between the parties mentioned therein for all dealings, Contracts and transactions made subject to the Bye laws, Rules and Regulations of the Exchange provided such dealings, Contracts and transactions had been entered into between the parties mentioned therein prior or upto the date on which a Member was either declared a defaulter or expelled or has surrendered his Membership rights.

13.8 Provisions of these Byelaws and Regulations deemed to form part of all dealings, Contracts and transactions

In all dealings, Contracts and transactions, which are made or deemed to be made subject to the Byelaws, Rules and Regulations of the Exchange, the provisions relating to Arbitration as provided in the Rules, Byelaws and Regulations issued by the Exchange from time to time shall form and shall be deemed to form part of the dealings, Contracts and transactions and the parties shall be deemed to have entered into an Arbitration agreement in writing by which all claims, differences or disputes of the nature referred to in Bye laws above shall be submitted to Arbitration as per the provisions of the Rules Byelaws and Regulations.

13.9 Jurisdiction

All parties to a reference to Arbitration under these Bye-laws and Business Rules and the persons claiming under them, shall be deemed to have submitted to the exclusive jurisdiction of a competent court as provided in the Bye laws and Business Rules.

13.10 For the removal of doubts, it is clarified that the Exchange shall not be construed to be a party to the trades, Contracts and transactions referred to under these Bye-laws; and these Bye-laws shall not apply in case of claims, differences or disputes between the Exchange and a Member and no Arbitration shall lie between the Exchange and a Member.

13.11 Construction of References

For the purpose of the Arbitration and Conciliation Act, all claims, differences or disputes which are required to be submitted to Arbitration in accordance with the provisions of these Bye-Laws, Rules and Regulations, wherever the Arbitration and Conciliation Act leaves the parties free to determine a certain issue, the parties shall be deemed to have authorized the Relevant Authority to determine that issue.

13.12 Administrative Assistance

The parties shall be deemed to have arranged for administrative/ministerial assistance of the Relevant Authority in order to facilitate the conduct of the Arbitral Proceedings.

13.13 Members of the Exchange Liable for Transactions Executed on Trading System of Exchange

The provisions of these Bye-Laws shall become applicable to all claims, difference, disputes between the parties mentioned therein for all trades, Contracts and transactions made subject to the Bye-Laws, Rules and Regulations of the Exchange issued by the Exchange provided such trades, Contracts and transactions had been entered into between the parties mentioned therein up to and including the date on which the Member was either declared a defaulter or expelled or has surrendered his Exchange Membership.

13.14 Limitation Period for Reference to Arbitration

All claims, differences or disputes referred to in these Bye-Laws shall be submitted to Arbitration within the period as may be prescribed by SEBI from time to time.

13.15 Penalty on Failure to Submit to or Abide by Award in Arbitration

An Exchange Member, who fails or refuses to submit to or abide by or comply with any Award in Arbitration between Members of the Exchange or between an Exchange Member and a non-trading Member/Client, as may be provided in these Bye-Laws, Rules and Regulations shall be declared a defaulter or expelled by the Relevant Authority at its sole discretion, as is applicable.

13.16 Procedure for Appointment of Arbitrators

The procedure for appointment of a sole Arbitrator or panel of Arbitrators, in each case, by the Applicant and the Respondent, or the Exchange shall be as may be provided by the Exchange / SEBI from time to time.

13.17 Vacancy to the Office of the Arbitrator

At any time before the making of the Arbitral Award, if the office of the Arbitrator falls vacant for any reason whatsoever, including any vacancy due to the illness or death of the Arbitrator or termination of the mandate of the Arbitrator by the Relevant Authority for any other reason, the vacancy shall be filled in by the Relevant Authority by following the same procedure as specified by the Exchange for appointment of the Arbitrator.

13.18 Recorded Proceedings and Evidence

Unless otherwise agreed upon by the parties, any Arbitrator who has been appointed by the Relevant Authority to fill the vacancy of the office of the Arbitrator may rely on the proceedings and evidence recorded earlier or may conduct any hearing afresh for any hearing previously held.

13.19 Order or Ruling of Previous Arbitrator

An Order or ruling of the Arbitrator made prior to the termination of his mandate shall not be invalid solely because his mandate has been terminated.

13.20 Disclosure By Persons Appointed as Arbitrators

Every person who is approached in connection with his possible appointment as an Arbitrator shall disclose to the relevant authority in writing any circumstances likely to give rise to justifiable doubts as to his independence and impartiality. If the person discloses any circumstances which in the opinion of the relevant authority are likely to give rise to justifiable doubts as to his independence and impartiality, then he shall not be appointed as an Arbitrator.

An Arbitrator, from the time of his appointment and throughout the Arbitral Proceedings, shall, without delay, disclose to the Relevant Authority in writing any circumstances referred to in Byelaw above which have come to his knowledge after his appointment as an Arbitrator.

13.21 Termination of Mandate of the Arbitrator

The mandate of the GRC Member/ Arbitrator shall terminate if:

a) the Arbitrator withdraws from office for any reason; or

b) in the opinion of the Relevant Authority, the Arbitrator becomes de jure or de facto unable to perform his functions or for other reasons fails to act without undue delay including failure to make the Arbitral Award within the time period prescribed by the Relevant Authority. Such a decision of the Relevant Authority shall be final and binding on the parties; or

c) the mandate of the Arbitrator is terminated by the Relevant Authority upon receipt of written request for the termination of the mandate of the Arbitrator from both the parties to Arbitration; or

d) the Arbitrator discloses any circumstances referred to in these Bye-Laws which in the opinion of the Relevant Authority are likely to give rise to justifiable doubts as to his independence and impartiality.

e) the Arbitral Proceedings are terminated as provided for herein.

13.22 Fees and Charges

The fees in Arbitration and the charges for submitting and regulating the proceedings of the reference shall be payable in advance and when there is failure, neglect or refusal on the part of a party or parties to pay accordingly the other party shall be responsible for making such payment in advance without prejudice however to his right if any to recover the same from such party or parties failing, neglecting or refusing to pay. It shall be a condition precedent to the hearing of any reference that the prescribed fees and charges shall have been paid in advance by the party or parties to the reference.

Provided that, in case of failure, neglect or refusal on the part of a Member who has been declared a defaulter against whom a reference to Arbitration has been filed, to pay the Arbitration fees, the Relevant Authority may take steps to make such payment and recover the same from the assets of defaulter Member. Provided further, that in case of failure, neglect or refusal on the part of a Member, against whom a reference to Arbitration has been filed, to pay the Arbitration fees, the Exchange shall debit the same from the security deposits/assets of the Member.

13.23 Appearance in Arbitral Proceedings by Counsel, Attorney or Advocate

In Arbitral Proceedings where both the parties are Members, the parties shall not be permitted to appear through counsel, attorney or advocate but where one of the parties is a Constituent/Client, and then such Constituent/Client shall be permitted to appear through counsel, attorney or advocate. If the Constituent/Client chooses to appear through counsel, attorney or advocate, then the Member shall be granted a similar privilege.

13.24 Set-off and Counter Claim

On a reference to Arbitration by one party, the other party or parties shall be entitled to claim a set-off or make a counter claim against the former party, provided such set–off or counter claim arises out of or relates to trades, Contracts and transactions made subject to the Bye-Laws, Rules and Regulations of the Exchange and subject to Arbitration as provided herein, and provided further such set-off or counter claim is presented, together with full particulars, at or before the first hearing of the reference but not afterwards unless specifically permitted by the Arbitral Tribunal.

13.25 Adjournment, if any, shall be granted by the Arbitrator only in exceptional cases, for bonafide reasons to be recorded in writing

13.26 Interim Arbitral Award and Interim Measures

The Arbitrator is empowered to make an interim Arbitral Award and/or provide interim measures of protection. An Arbitrator may require a party to provide appropriate security in connection with an interim Award and/or measures.

13.27 Time for Completion of Arbitration

The Arbitrator(s) shall conclude the Arbitration reference within the time period as specified by SEBI from time to time by issuance of an Arbitral Award.

13.28 Arbitrator's Award

Every Award shall be made in writing and shall be signed by the Arbitrator(s). The Award shall state the reasons upon which it is based, unless-

(a) the parties have agreed that no reasons are to be given; or

(b) the Award is on terms agreed between the parties.

The Award shall state its date and the place of Arbitration, and the Award shall be deemed to have been made at that place.

13.29 Award to Classify Award Amount

Whether the Award is interim or otherwise, the Arbitral Tribunal shall clearly specify as to whether the amount awarded relate to a transaction executed on trading system of the Exchange, or to any order / instruction to buy or sell a Contract or to the money paid /deposited with the exchange member in respect of any order / instruction to buy or sell the Contract or for any reason other than those specified herein.

13.30 Award to Adjudge Interest

Where an Award is for the payment of money, the Arbitral Tribunal may adjudge in the Award the interest to be paid on the principal sum adjudged for any period prior to the institution of the Arbitration proceedings and may also adjudge the additional interest on such principal sum for the period from the date of the institution of the Arbitration proceedings to the date of the Award and also the interest on the aggregate sum so adjudged at such rate from the date of the Award to the date of payment. The rate of interest that may be stipulated in the Award shall be the Bank Rate simple interest from time to time, plus penal interest not exceeding 4% p.a.

13.31 Publication of Award

After the Award is made, a signed copy of the Award shall be delivered to each party.

13.32 Award Binding on Parties and Their Representatives

The parties to the reference shall in all matters abide by and forthwith carry into effect the Award of the Arbitral Tribunal which shall be final and binding on the parties and their respective representatives, notwithstanding the death of or legal disability occurring to any party before or after the making of the Award and such death or legal disability shall not operate as a revocation of the reference or Award or shall not affect the rights under the Award of the Awardee in any manner whatsoever. The Code of Conduct as specified by SEBI or the Exchange shall be applicable to Arbitrators.

13.33 Correction and Clarification on Award

d. Within such days, as may be specified in the Rules and Regulations of the Exchange, from the receipt of the Arbitral Award, any party to an Arbitration agreement, with notice to the other party, may request the Arbitral Tribunal to correct any computational error, any arithmetical error, any clerical or typographical error or any other error of a similar nature occurring in the Award.

A party, with notice to the other party, may request the Arbitral Tribunal to give

a clarification on any specific point or part of the Award.

e. If the Arbitrator(s) considers the request made under these Bye-Laws to be justified, it shall make the correction or give the interpretation in terms of the Act and the interpretation shall form part of the Award.

f. The Arbitrator(s) may on its own correct the errors of the type indicated in sub-clause (i) of the above Bye-Law within timelines as prescribed from time to time of making the Award. An intimation of such correction shall be given to the parties in case the correction is made after delivering an uncorrected copy of the Award to the parties and corrected copies of the Award shall be given to the parties.

g. A party, with notice to the other party, may request the Arbitral Tribunal within such number of days from the date of receipt of the Award as may be specified in the relevant Rules and Regulations of the Exchange in force, from time to time, to make an additional Award as to the claims presented in the Arbitral Proceedings, but omitted from the Arbitral Award.

13.34 If the Arbitral Tribunal finds the request made under above Bye-Law to be justified, it shall make the additional Arbitral Award within such number of days as may be specified in the relevant Rules and Regulations of the Exchange in force from time to time, from the date of receipt of such request.

13.35 Honoring of Arbitral Awards

The Exchange shall on receipt of an Arbitral Award /appellate Arbitral Award against an Exchange Member follow such procedure as may be prescribed by SEBI or as may be provided in the relevant Rules and Regulations of the Exchange in force, from time to time, with respect to honouring of the Award.

13.36 Implementation of Arbitral Award

Notwithstanding anything contained jn the Bye-laws, in cases where the Arbitral Award or appellate Arbitral Award is passed against a trading Member and/or its Authorised Person and in favour of a Constituent, the Exchange shall debit from the deposits or other monies of the trading Member lying with the Exchange, the amount of Award payable to the Awardee together with interest payable, if any, till the date of debit and keep aside the said amount in a separate account to be dealt with in such manner as mentioned in these Bye Laws.

Provided that, where the Award is for the delivery of securities, the Exchange may consider the closing price of such securities on the Exchange as on the date of the Award or such other date the Relevant Authority may specify to be reasonable, stating reasons for arriving at the value of such securities and Award amount.

13.37 Payment of Debited Amount to Constituents

Arbitral Award:- Where the Trading Member chooses not to prefer an appeal under these Bye-Law within the time permissible there under, the amount debited under these Bye-Laws shall be paid, to the Awardee, together with the interest if so directed in the Award.
Appellate Arbitral Award: - Where an appeal is preferred by the Trading Member under these Bye-Law and the appellate Arbitral Tribunal makes an appellate Arbitral Award against the Trading Member the Exchange shall pay the awarded amount to the Awardee from the amount debited under these Bye Laws subject to the following:-
a) where no application is made by the Trading Member under Section 34 of the Act to

challenge such Arbitral Award within the limitation period for making such application;

b) where an application to a court to set aside such appellate Arbitral Award under the Act, having been made, it has been refused by such Court;

c) where an application to a court to set aside such appellate Arbitral Award under Section 34 of the Act having been made, but where no stay has been granted by such Court within a period of three months from the date on which the party making that application had received the appellate Arbitral Award;

13.38 Appellate Arbitration

1. Any party aggrieved by an Arbitral Award made under these Bye-laws shall have a right of appeal, in terms of the following:
   (a) A party aggrieved by an Arbitral Award may appeal against such Award to the appellate panel of Arbitrators to be constituted by the Exchange within one month from the date of receipt of Arbitral Award.
   (b) Such constitution of appellate panel of Arbitrators shall be completed by the Exchange within the time prescribed by SEBI from time to time, from the date of receipt of the appeal with complete documents and applicable fees.

2. The Exchange shall thereupon constitute an appellate panel consisting of three Arbitrators who shall be different from the ones who passed the Arbitral Award appealed against.

   The appeal shall be disposed of by issuance of Appellate Arbitral Award within such time as may be prescribed by SEBI from time to time from the date of appointment of appellate panel of Arbitrators

   The Relevant Authority as prescribed by SEBI from time to time, may, on an application by either party or the Arbitrator(s) and for sufficient cause to be recorded in writing, extend the time for making of Arbitral Award as may be prescribed by SEBI from time to time.

3. Any party aggrieved by the Award/ Appellate Arbitral Award may file an application to the Court of competent jurisdiction to challenge the appellate Award in accordance with Section 34 of the Act.

13.39 Service by Hand Delivery When Complete

A notice or communication served by hand shall be deemed to have been received by the party on the production of a certificate to that effect signed by the person delivering the notice or communication and the same shall constitute due and proper service of notice.

13.40 Service by Post or Telegram When Complete

A notice or communication served by post or telegram shall be deemed to have been received by the party at the time when the same, in the ordinary course of post or telegram, has been delivered. Production of a letter of confirmation from the post office or of the post office receipt for the registered letter or telegram or of a certificate of posting shall in all cases be conclusive proof of the posting or dispatch of such notice or communication and shall constitute due and proper service of notice.

13.41 Service by Advertisement or by Notice on Notice Board When Complete

A notice or communication published in a newspaper or posted on the notice board of the Exchange or displayed on the Trading System of the Exchange or on the Website of the Exchange shall be deemed to have been served on the party on the day on which it is published or posted or so displayed.

13.42 Refusal to Accept Delivery Does Not Affect Service

Any refusal to take delivery of the notice or communication shall, in no case affect the validity of its service.

13.43 Indemnity

No party shall bring or prosecute any suit or proceedings whatever against the Exchange, the Relevant Authority, or any employee or employees of the Exchange acting under his authority or against the Arbitrators for or in respect of any matter or thing done or purported to have been done under these Bye-Laws and Regulations nor any suit or proceedings (save for the enforcement of the Award) against the other party or parties to the reference**.**

13.44 Secretarial Duties

The Exchange shall render secretarial assistance including the following -

a. maintain a register of references in physical or electronic mode
b. Register of references rejected in physical or electronic mode.
c. Receive all applications for Arbitration, references and communications addressed by the parties before or during the course of Arbitration or otherwise in relation thereto;
d. receive payment of all costs, charges, fees and other expenses;
e. give notices of hearing and all other notices to be given to the parties before or during the course of the Arbitration or otherwise in relation thereto
f. communicate to parties all orders and directions of the Arbitrator.
g. receive and record all documents and papers relating to the reference and keep in custody all such documents and papers except such as the parties are allowed to retain; for such period as may be specified by the Relevant Authority from time to time.
h. publish the Award on behalf of the Arbitrator.
i. to enter the Award and any changes therein in the register of references
j. generally do all such things and take all such steps as may be necessary to assist the Arbitrator in the execution of their functions
k. to maintain a register of Appeals and make necessary entries therein in physical or electronic mode.

14. SAVING CLAUSE

a. Nothing contained in the Rules, Bye-laws and Regulations (New Rules, Bye-laws and Regulations) shall affect the Rules, Bye-laws and Regulations (Old Rules, Bye-laws and Regulations) which were in force and operation prior to New Rules, Bye-laws and Regulations came into force in relation to any deals and/or Contracts, rights and obligations accrued and arisen, action/s, decision/s, disciplinary proceedings initiated, pending, decided or any proceedings pending and/or decided etc. thereunder and all such matters shall continue to be governed under the Old Rules, Bye-laws and Regulations.

b. All dealings and/or Contract entered into and/or executed after New Rules, Bye-laws and Regulations come into force and all matters including rights, duties, obligations, actions proceedings arising pursuant thereto shall be subject to and be governed in accordance with New Rules, Bye-laws and Regulations of the Exchange and circulars/directions issued by Exchange/Relevant Authority from time to time.

c. **Power To Provide Clarification**

In case of any difficulty in implementing the provisions of Old Rules, Bye-laws and Regulations or New Rules, Bye-laws and Regulations or in case of a conflict between Old Rules, Bye-laws Regulations and New Rules, Bye-laws and Regulations, the Exchange has the power to provide clarification, if the circumstances demand and such clarification shall be final and binding on all persons.

d. **Reference to provisions of Old Rules, Bye-laws and Regulation**

On New Rules, Bye-laws and Regulations coming into force, any reference to the provisions of old Rules, Bye-laws and Regulations may be construed to refer to the corresponding provision as provided in the New Rules, Bye-laws and Regulations unless the context requires otherwise.

Date: 29.01.2026
Place: Mumbai

Kaushal A. Mehta,
Head - Legal.

Serial No. M- 263

Multi Commodity Exchange of India Limited

The Securities and Exchange Board of India (SEBI), in exercise of its powers under Section 4 of the Securities Contracts (Regulation) Act, 1956, has, vide its letter SEBI/HO/MRD/MRD-RAC-1/P/OW/2025/000026134/1 dated October 07, 2025, approved amendments to the Rules of Multi Commodity Exchange of India Limited (MCX or the Exchange) proposed by the Exchange vide its letter No. MCX/SEBI-001/CCO/2025 dated June 03, 2025. The amendments to the Rules of the Exchange approved by SEBI are as under and these amendments shall be effective from the date of its publication in the Gazette of India.

RULES OF MULTI COMMODITY EXCHANGE OF INDIA LIMITED

1. PREAMBLE

a. These Rules shall be known as 'The Rules of Multi Commodity Exchange of India Limited, Mumbai' and are for the sake of brevity and convenience, herein referred to as "These Rules" or "the Rules of the Exchange".

b. These Rules shall come into force with effect from such date as the Governing Board of Multi Commodity Exchange of India Limited, Mumbai (hereinafter referred to as "the Exchange" or the Securities and Exchange Board of India {hereinafter referredto as "the SEBI"} may appoint and notify in that behalf.

c. These Rules shall be in addition to the provisions of the Securities Contracts (Regulation) Act, 1956 (hereinafter referred to as SCRA) and the Rules and Regulations made thereunder and the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as SEBI Act) and the Rules and Regulations made thereunder and the Bye Laws of the Exchange. These Rules shall at all times be read subject to the provisions ofthe SCRA and the Rules and Regulations made thereunder and SEBI Act and the Rules and Regulations made thereunder as amended from time to time and theRules, Regulations, Directives, Orders, Guidelines, Norms and Circulars issued by the Government of India and/or Securities and Exchange Board of India (SEBI) thereunder from time to time and Bye Laws of the Exchange.

d. In case of difference between the provisions of any Rules of the Exchange and the provisions of SCRA or SEBI Act or Rules and Regulations made thereunder, the provisions of SCRA or SEBI Act or the Rules and Regulations made there under shall prevail.

2. DEFINITONS

The definitions not covered herein below will be taken from the Articles or the Bye-laws of the Exchange for the purpose of interpretation or management of the Exchange and in case of any discrepancy, the interpretation as may be taken by the Board of the Exchange shall be final and binding on all associated with the Exchange directly or indirectly.

a. "Associate" in relation to a person shall include another person:
   (i) who, directly or indirectly, by himself, or in combination with other persons, exercises control over the first person;
   (ii) who holds more than fifteen per cent shares in the paid up equity capital of thefirst person;
   (iii) who is a holding company or a subsidiary company of the first person;
   (iv) who is a relative of the first person;
   (v) who is a Member of a Hindu Undivided Family wherein the first person is also a Member;
   (vi) such other cases where the SEBI is of the view that a person shall be consideredas an associate based on the fact and factors including the extent of control, independence, conflict of interest.

b. "Base Capital" means and includes the initial security deposit, additional security deposit, margin money, any other credit amounts, bank guarantee, and other collateral, by whatever name called, specified to be part of the base capital.

c. "Bye-laws" mean the Bye-laws of the Exchange.

d. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

e. "Exchange" means Multi Commodity Exchange of India Limited.

f. "Family Member" of a Member of the Exchange means, the Member's father or mother or spouse or son or sons or unmarried daughter or daughters or daughter-in-law or daughters-in-law or father's brother or brothers or son's or sons" son or sons or brother or brothers or unmarried sister or sisters or brother's or brothers' son or sons.

g. "Inactive Member of the Exchange" means a Member of the Exchange who has not traded in the Exchange even for a single day in a year.

h. "In writing' or 'Written" includes handwriting, typewriting, printing, lithography, fax, downloading through computers, e- mail, sms and/or other modes of representing or reproducing words in visible form.

i. "Multiple Trading Membership" means an individual, or a partnership firm or LLP or a company (as defined under the Companies Act) or a body corporate or any other entity having either, directly or indirectly, or is in the process of acquiring, control in another entity which is a Member of the Exchange of either the same Exchange and/or
   of any other Exchange/s and shall include:
   i. An individual Member of the Exchange being a Member of one Exchange, is also a Member of another Exchange, or
   ii. An individual, being a Member of one Exchange is also a designated director/ nominee of a company/body corporate, which is a Member of another Exchange, or
   iii. An individual, who is a designated director/nominee of a company/body corporate which is a Member of an Exchange in which there are at least two designated directors/nominees and one of the designated

directors/nominees isa Member individually of another Exchange, or

iv. An individual, being a Member of one commodity/stock Exchange or an individual, who is a designated director/ nominee of a company/body corporate, which is a Member of one Exchange, is a designated partner in any partnership firm of another Exchange.

j. "Non-Transferable Specific Delivery Contract" means a specific delivery contract, the rights or liabilities under which or under any delivery order, railway receipt, bill of lading, warehouse receipt or any other documents of title relating thereto are not transferable.

k. "Notice Board" refers to the Bulletin Board, Market News and Information corner displayed on the trading system of the Exchange, Website or the News and circulars, notifications, etc. downloaded/ broadcast at the trading system of the Members.

l. "Person" includes an individual, partnership firm, LLP, body corporate, corporation, a co-operative society, association of persons, bank, financial institution, public sector organisation, statutory corporation, a government department or non-government entity or such other person as the Board may decide from time to time.

m. "Place of Business" means an office where a Member is conducting a bona fide business for dealing in commodities and the address of which is officially intimated to the Exchange.

n. "Ready Delivery Contract" means a contract which provides for the delivery of goods and the payment of a price therefor, either immediately, or within such period not exceeding eleven days after the date of the contract and subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in respect of any goods, the period under such contract not being capable of extension by the mutual consent of the parties thereto or otherwise:

Provided that where any such contract is performed either wholly or in part;

i. by realisation of any sum of money being the difference between the contract rate and the settlement rate or clearing rate or the rate of any offsetting contract; or

ii. by any other means whatsoever, and as a result of which the actual tendering of the goods covered by the contract or payment of the full price therefor is dispensed with, then such contract shall not be deemed to be a ready delivery contract;

o. "Register of Members of the Exchange" means the register containing the names and other details of the Members of the Exchange registered with the Exchange under various categories.

p. "Relevant Authority " means the Board or any Committee or Managing Director or any such authority as may be specified by the Board from time to time as relevant for a specified purpose.

q. "Remisier" means a person, who is engaged by a Member of the Exchange primarily to solicit business for the Member for trading on the Exchange.

r. "Rules" means the Rules as defined in the Bye-Laws of the Exchange.

s. "Securities and Exchange Board of India" means Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India, Act 1992 referred to as SEBI hereafter..

t. "Specific Delivery Contract" means a commodity derivative which provides for the actual delivery of specific qualities or types of goods during a specified future periodat a price fixed thereby or to be fixed in the manner thereby agreed and in which the names of both the buyer and the seller are mentioned.

u. "Transferable Specific Delivery Contract" means a specific delivery contract which is not a non-transferable specific delivery contract and which is subject to such conditions relating to its transferability as the Central Government may by notification in the Official Gazette, specify in this behalf.

2A. **Interpretation of Certain Words And Expressions**

Words and expressions used herein and not defined in these Rules but defined in the SCRA and the Rules and Regulations made thereunder or the SEBI Act and the Rules and Regulations made thereunder or Bye Laws of the Exchange shall have the same meanings respectively assigned to them in those Acts, Rules and Regulations, Bye Laws of the Exchange.

3. MANAGEMENT OF THE EXCHANGE

The Board may organize, maintain, control, manage, regulate and facilitate the operations of the Exchange and commodities / securities transactions by Trading Members/ Clearing Members, in accordance with the provisions of the SCRA, and the Rules and Regulations made thereunder and SEBI Act and the Rules and Regulations made thereunder, and any directives issued thereunder or as may be prescribed from time to time and the Bye Laws of the Exchange. The Board shall, subject to the provisions of SECC Regulations 2018, and guidelines/directives of SEBI, appoint various Committee(s) /Panel(s), Relevant Authority from time to time, for managing the affairs of the Exchange.

The Board of Directors may constitute Committees ("Committee/s") from time to time for managing day to day affairs of the Exchange or for specific matter/purpose as prescribed by SEBI or otherwise. All such Committees shall function/ operate in accordance with the provisions appearing in directives/circulars/regulations issued by SEBI/ the Board from time to time and the Rules stated hereinafter or in accordance with the Articles of Association of MCX.

The Committee(s) appointed by the Board shall consist of such persons as may be specified by SEBI/ the Board from time to time.
The tenure of the Members of a Committee shall be such as may be specified, in case of a Committee, by the Board, and in case of a sub-Committee, by the Committee that constitutes such sub-Committee.

i. **Managing Director/ Chief Executive**

a. The Managing Director of the Exchange shall be the Chief Executive of the Exchange and shall look after day-to-day management and affairs of the Exchange.

b. The Managing Director / Chief Executive shall represent the Exchange officially in all public matters.

c. Without prejudice the generality of above provisions, the Managing Director shallperform such function and shall exercise such powers as may be delegated to the Managing Director by the Board.

d. The Managing Director of the Exchange shall function in accordance with the Articles of Association, direction of the SEBI and Board on matters as the Board may determine fit from time to time.

ii. **Powers of The Committee**

The Board may delegate from time to time to the Committee(s) such of the powers vested in it and upon such terms as it may think fit, to manage all or any of the affairs of the Exchange and from time to time, to revoke, withdraw, alter or vary all or any of such powers. The Committee shall have such responsibilities and powers as may be delegated to it by the Board from time to time.

A Committee so constituted may constitute, subject to the terms and conditions of its constitution, such sub-Committees for such purposes as it may deem fit. The constitution,

powers and responsibilities of such sub-Committee(s) may be determined by the Committee which constitutes such sub-Committee(s).

The Committee may from time to time, authorise the Managing Director. or such other person(s) to carry out such acts, deeds and functions in accordance with such provisions as may be laid down in this regard for fulfilling the responsibilities and discharging the powers delegated to it by the Board.

iii. **Disqualification Of Member of The Committee**

No person shall be eligible to be a Member of a Committee(s), if he suffers any disqualification as provided in the Articles of Association or as specified by the Board or SEBI, or if such person ceases to be a Member of the Exchange A Member of the Committee shall, ipso facto, be deemed to have vacated the office, if he suffers any such disqualification, provided however that nothing done in good faith by such person in his capacity as a Member of such Committee shall be rendered invalid merely because such act, deed, matter or thing may have been done by him subsequent to his disqualification but without knowledge of his disqualification.

iv. **Meetings of the Committee**

The quorum, frequency and procedure of the meeting of the Committee, etc shall be in accordance with circulars issued by SEBI from time to time.

v. **Chairman**

Subject to the prior approval of the Board, the Chairman shall be elected by the governing Board from amongst the public interest directors. This shall be subject to the approval of SEBI.

4. MEMBERSHIP OF THE EXCHANGE

i. The Board may classify the Membership of the Exchange in different categories for different commodities, securities or instruments or derivatives thereon permitted to be traded on the Exchange and provide for different rights and privileges for trading, clearing and settlement of contracts in any commodity or group of commodities, securities or instruments or derivatives thereon to the Member of different categories. A person desirous of securing the Membership of the Exchange may apply for any category of Membership, subject to his fulfilling the Membership criteria. Mere fulfilment of eligibility criteria does not entitle an applicant to Membership, Membership Committee will grant Membership.

ii. The Membership of the Exchange shall entitle a Member of the Exchange to exercise such rights and privileges attached to such Membership as he specifically applies for dealing on the Exchange, subject to the Bye-Laws, Rules and Regulations of the Exchange as applicable from time to time.

iii. The provisions of the Articles of Association and the Bye-Laws, Rules and Regulations applying to individuals shall apply mutatis mutandis to firms, LLP, banks, other financial institutions and bodies corporate who are registered as a Member of the Exchange.

iv. A Member of the Exchange shall not assign, mortgage, pledge hypothecate, or charge his right of Membership or any rights or privileges attached thereto,and any such attempt shall not be effective as against the Exchange. The Board shall expel any Member of the Exchange who acts or attempts to act in violation of the provisions of this Rule.

v. The Membership rights of the Exchange are transferrable subject to terms and conditions that may be prescribed by the Exchange in this regard from time to time and also subject to prior approval of the Exchange.

vi. There shall be different classes of Membership of the Exchange along with associated rights and privileges which shall include Trading-cum-Clearing Members, Institutional Clearing Member and other classes as nay be defined by the Exchange from time to time. The different types of Members of the Exchange for the present are as under:

a. Trading-Cum-Clearing Member (TCM) / Self-Clearing Member (SCM)

Trading-cum-Clearing Member /Self-Clearing Member means a person who is admitted by the Exchange as the Member of the Exchange conferring a right to trade and clear through the Clearing Corporation as a Clearing Member and who may beallowed to make deals for himself as well as on behalf of his clients and clear and settle such deals only.

Provided that such Trading-cum-Clearing Member/ Self-Clearing Member of the Exchange shall be required to become a Member of arecognized Clearing Corporation from such date as may be specified by the Exchange and/or the SEBI.

b. Institutional Clearing Member or Professional Clearing Member (PCM)/ Clearing Member (CM)

Institutional Clearing Member or Professional Clearing Member/ Clearing Member means a person who is admitted by the Exchange as a Clearing Member of the Exchange and the Clearing Corporation and who shall be allowed to only clear and settle trades on account of Trading-cum-Clearing Members or Trading Members.

Provided that such Institutional Clearing Member or Professional Clearing Member / Clearing Member of the Exchange shall be required to become a Member of a recognized Clearing Corporation from such dateas may be specified by the Exchange and/or the SEBI.

c. Institutional Trading-Cum-Clearing Member (ITCM) /Trading Member & Clearing Member

Institutional Trading-cum-Clearing Member / Trading Member & Clearing Member means a person who is admitted by the Exchange as a Institutional Trading cum Clearing Member of the Exchange and who shall be allowed to trade on his account as well as on behalfof his clients and to settle trades done by himself as well as by other Trading cum Clearing Members or Trading Members.

Provided that such Institutional Trading Cum Clearing Member /Trading Member & Clearing Member of the Exchange shall be required to become a Member of a recognized Clearing Corporation from such date as may be specified by the Exchange and/or the SEBI.

d. Commodity/Complex Specific Trading-cum-Clearing Member

Commodity / Complex Specific Trading Cum Clearing Member means a person having been admitted by the Board as such, who shall have trading and clearing rights only in respect of specific commodity or group of commodities, while in respect of other commodities he shall not have any trading or clearing rights.

Provided that such Commodity / Complex specific Trading cumClearing Members shall be entitled to upgrade themselves into full- fledged Membership, consequent upon compliance with such conditions, as may be specified by the Board**.**

e. Trading Member (TM) / Stock Broker

Trading Member (TM) / Stock Broker means a person having been admitted by the Board as such, who shall have rights to trade on his own account as well as on account of his clients, but shall have no right to clear and settle such trades himself.
All such Trading Members must be affiliated with any one of the Institutional Clearing Members or Institutional Trading cum Clearing Members having clearing rights on the Exchange.

vii. Any person, fulfilling the following criteriawill be eligible to become a Member of the Exchange:

i. Compliance with the capital adequacy norms as may be prescribed by the Board for Membership of the Exchange, from time to time; and

ii. Compliance with the registration and other provisions as may be prescribed by the Board from time to time.

iii. Payment of such fee, charges, deposits and other monies, as may be specified by the Exchange.

viii. The Board is empowered to prescribe such Rules, requirements and/or criteria for admission as a Member of the Exchange and to alter any such Rules including those specified above.

ix. Every Member of the Exchange shall comply with and be bound by the Articles of Association of the Company and by the Bye-Laws, Rules and Regulations of the Exchange that may be made in accordance therewith, from time to time, and shallaccept as final any decision made by the Board or by the Company in General Meeting or by the Committee approved by the Exchange.

x. Prospective Members of the Exchange or their authorised representatives shall, during the admission process, if required by the Board, appear personally before the Board or any Committee thereof, for an interview and/or test as may be prescribed.

xi. Membership of the Exchange shall be transferable to any eligible person, body corporate, company, partnership firm, LLP, bank, financial institution or such other person, as may be approved by the Board or any Committee thereof. The Membership can be surrendered either by resignation from the Membership of the Exchange or transfer of the Membership by nomination. In case of resignation, the Member of the Exchange shall be entitled to receive back his deposit, if any, after the Exchange and the Clearing Corporation have recovered all outstanding dues from the Member who has tendered his resignation, subject to such lock in period as may be specified by the Board. The admission fee paid by the Member of the Exchange shall be non- refundable.

xii. Member of the Exchange may be allowed to up-grade its class/ type of Membership to another viz., TCM to ITCM or TM to TCM, etc., subject to the eligibility terms and conditions and paying the differential admission fees, deposits, etc., as applicable for the said up-graded class / type of Membership.

xiii. Member of the Exchange may be allowed to down-grade its class/ type of Membership to another viz., from ITCM to TCM or from TCM to TM, etc., subject to the said Member agreeing to forego his excess Admission Fees (if any) paid to the Exchange.

xiv. Conditions Precedent for Eligibility

No person shall be eligible to be qualified as a Member, if such person is:

(i) less than 21 years of age;

(ii) not a citizen of India; provided that the governing body may in suitable cases relax this condition with the prior approval of the SEBI.

(iii) If such person is not meeting the eligibility criteria as prescribed from time to time under SEBI Regulations, SCRA, SCRR and any other applicable regulations.

xv. General Conditions

No person shall be eligible to be qualified as a Member of the Exchange, if such person

i. does not have a minimum net worth as the Governing Board may from time to time determine and consider acceptable;

ii. has been declared/rendered incompetent to enter into contract under any law in force in India

iii has been adjudged bankrupt or a receiving order in bankruptcy has been made against him or he has been proved to be insolvent even though he has obtained hisfinal discharge.

iv. has been convicted of an offence involving moral turpitude;

v. has compounded with his creditors unless he has paid 100 paise in a Rupee;

vi. has been found to be of unsound mind, by a court of competent jurisdiction;

ix. has applied to be adjudicated as an insolvent and the application is pending;has been declared as a defaulter by any other Commodity Exchange unless a period of five years has elapsed from the date of expiry of such default.

x. incurs such disqualification, under the provisions of the SCRA and the Rules and Regulations framed thereunder, or the SEBI Act and the Rules and Regulations framed thereunder, as entitles such person from seeking Membership of a Commodity Exchange.

xi. has, at any time, been declared as a defaulter or expelled by any other commodity Exchange.

xii. has been convicted of an offence involving fraud or dishonesty.

xiii. is engaged as principal or employee in any business other than that of securities or commodity derivatives except as a broker or agent not involving any personal financial liability unless he undertakes on admission to sever his connection with such business.

However, a Member of the Exchange would not be disqualified if such Member isengaged in "business in goods related to the underlying and/or business in connection with or incidental to or consequential to trades in derivatives.

Provided further that nothing herein shall be applicable to any corporations, bodies corporate, companies or institutions referred to in xviii below.

xiv. has been previously refused admission to Membership by the Exchange unless a period of one year has elapsed since the date of such rejection.

xv. does not comply with such other conditions as may be specified by the SEBI or Board or the Committee of the Exchange thereon from time to time.

xvi. No person eligible for admission as a Member under above Rules shall be admitted as a Member unless:

(i) he has worked for not less than two years as a partner with, or an authorized assistant or authorised clerk or remisier or apprentice to, a Member; or

(ii) he agrees to work for a minimum period of two years as a partner or representative Member with another Member and to enter into bargains on the floor of the Exchange and not in his own name but in the name of such other Member; or

(iii) he succeeds to the established business of a deceased or retiring Member who is his father, uncle, brother or any other person who is, in the opinion of the governing body, a close relative:

Provided that the rules of the Exchange may authorise the governing body to waive compliance with any of the foregoing conditions if the person seeking admission is in respect of means, position, integrity, knowledge and experience of business in securities, considered by the governing body to be otherwise qualified for Membership.

xvii. No person who is a Member shall continue as such if—

(i) he ceases to be a citizen of India:

Provided that nothing herein shall affect those who are not citizens of India but who were admitted under the provisions of clause (ii) of rule xiv. of this rule, subject to their complying with all other requirements of this rule.

(ii) he is adjudged bankrupt or a receiving order in bankruptcy is made against him or he is proved to be insolvent.

(iii) he is convicted of an offence involving fraud or dishonesty or moral turpitude.

(iv) he engages either as principal or employee in any business other than that of securities or commodity derivatives except as a broker or agent not involving any personal financial liability, provided that—

a) the governing body may, for reasons, to be recorded in writing, permit a Member to engage himself as principal or employee in any such business,if the Member in question ceases to carry on business on the commodity Exchange either as an individual or as a partner in a firm,

However, a Member of the Exchange would not be disqualified if such Member is engaged in "business in goods related to the underlying" and /or"business in connection with or incidental to or consequential to trades in derivatives".

b) nothing herein shall affect Members of the Exchange which are corporations, bodies corporate, companies or institutions referred to below.

xviii. A company as defined in the Companies Act, 1956 (1 of 1956)/ 2013, shall be eligible to be admitted as a Member of the Exchange, if:

(i) such company is formed in compliance with the provisions of the latest Companies Act.

(ii) a majority of the directors of such company are shareholders of such company and also Members of the Exchange; and

(iii) the directors of such company, who are Members of the Exchange, have ultimate liability in such company:

Provided that where the Securities and Exchange Board of India makes a recommendation in this regard, the governing body of the Exchange shall, in relaxation of the requirements of this clause, admit as Member the following corporations, bodies corporate, companies or institutions, namely:—

(a) the Industrial Finance Corporation, established under the Industrial Finance Corporation Act, 1948 (15 of 1948);

(b) the Industrial Development Bank of India, established under the Industrial Development Bank Act, 1964 (18 of 1964);

(c) the Life Insurance Corporation of India, established under the Life Insurance Corporation Act, 1956 (31 of 1956);

(d) the General Insurance Corporation of India constituted under the General Insurance Corporation (Nationalisation) Act, 1972 (57 of 1972);

(e) the Unit Trust of India, established under the Unit Trust of India Act, 1963 (52 of 1963)

(f) the Industrial Credit and Investment Corporation of India, a company registered under the Companies Act, 1956 (1 of 1956);

(g) the subsidiaries of any of the corporations or companies specified in (a) to (f) and any subsidiary of the State Bank of India or any nationalised bank set up for providing merchant banking services, buying and selling securities and other similar activities.

(h) any bank included in the Second Schedule to the Reserve Bank of India Act, 1934 (2 of 1934);

(i) the Export Import Bank of India, established under the Export Import Bank of IndiaAct, 1981 (28 of 1981);

(j) the National Bank for Agriculture and Rural Development, established under the National Bank for Agriculture and Rural Development Act, 1981 (61 of 1981); and

(k) the National Housing Bank, established under the National Housing Bank Act, 1987 (53 of 1987).

(l) Central Board of Trustees, Employees' Provident Fund, established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952);

(m) any pension fund registered or appointed or regulated by the Pension Fund Regulatory and Development Authority under the Pension Fund Regulatory And Development Authority Act, 2013 (23 of 2013); and

(n) any Standalone Primary Dealers authorized by the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934 (2 of 1934).

xix. A company as defined in the Companies Act shall also be eligible to be admitted as a Member of the Exchange if—

(i) such company is formed in compliance with the provisions the relevant sections of the said Act;

(ii) such company undertakes to comply with such financial requirements and norms as may be specified by the SEBI for the registration of such company under sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(iii) the directors of the company are not disqualified from being Members of an Exchange under clause (1) except sub-clause (b) and sub-clause (f) of Rule 8 of SCRR or clause (3) except sub-clause (a) and sub-clause (f) thereof and the Directors of the company had not held the offices of the Directors in any company which had been a Member of the Exchange and had been declared defaulter or expelled by the Exchange; and

(iv) not less than two directors of the company are persons who possess a minimum two years' experience:

(a) in dealing in securities or
(b) as portfolio managers; or
(c) as investment consultants.

xx. Where any Member of the Exchange is a firm, the provisions of Rules xiv, sub-rule iii, v,xi, xii, xiii and xiv of Rule xv, xvii and Rule xviii, so far as they can, apply to the admission or continuation of any partner in such firm.

xxi. A limited liability partnership as defined in the Limited Liability Partnership Act, 2008 (6 of 2008), shall also be eligible to be elected as a Member of the Exchange, if:

(i) such "limited liability partnership" undertakes to comply with such financial requirements and norms as may be provided by the SEBI for registration of such limited liability partnerships under subsection (1) of section 12 of theSEBI Act;

(ii) the designate partners of the 'limited liability partnership' are not disqualified from being Members of the Exchange under sub rule (i) Rule xiv and sub-rule (iii), (v), (xi), (xii) and (xiv) of Rule xv or Rule xvii except sub-rule (i) and sub-rule (iv) thereof and the designated partners of the 'limited liability partnership' had not held the offices of Directors in any company or body corporate or partner in any firm or 'limited liability partnership', which had beena Member of the Exchange and had been declared defaulter or expelled by the Exchange; and

(iii) not less than two designated partners of the limited liability partnership' are persons who possess a minimum experience of two years:-
(a) in dealing in securities; or
(b) as portfolio managers; or
(c) as investment consultants.

xxii. Any provident fund represented by its trustees, of an exempted establishment under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (19 of 1952), shall also be eligible to be elected as a Member of the Exchange.

xxiii. Membership Application

Every person desirous of becoming a Member of the Exchange shall apply to the Exchange for admission as a Member of the Exchange, in the prescribed form which shall be provided by the Exchange at such fee that the Exchange may decide from time to time in the relevant Regulations and the Membership shall be subject to compliance of all the Bye-Laws, Rules, and Regulations of the Exchange specified by the Exchange from time to time.

A. As per the SEBI Stock Brokers Regulations, 1992 any person desirous of becoming a Member of a stock Exchange shall comply with the terms and conditions as may be specified by SEBI for such registration from time to time. The application for such registration shall be made in the form prescribed by SEBI and routed through the Exchange, along with the applicable fees.

B. The Exchange shall collect from every Member of the Exchange the fee payable by him as specified in Stock Brokers Regulations, 1992.

C. A Member of the Exchange carrying on the activity of buying, selling or dealing in commodity derivatives, shall not undertake any activity other than the activity of buying, selling or dealing in securities, unless permitted by SEBI."

D. However, a Member of the Exchange would not be disqualified if such Member is engaged in "business in goods related to the underlying" and /or "business in connection with or incidental to or consequential to trades in derivatives."

E. The Exchange shall only refund, in due course, the security deposit and any other refundable deposits with the Exchange to the Members whose application for registration with the SEBI is rejected by the SEBI, for any reason, whatsoever.

xxiv. Admission And Admission Fee

The Board or a Committee appointed and empowered by the Board for the purpose may admit an applicant as a Member of the Exchange provided that the applicant satisfies the conditions set out in these Articles, the Bye-Laws, Rules and Regulations made thereunder. The Boardor the Committee as aforesaid or any person authorised by the Relevant Authority may interview and/or test the applicant before admitting the applicant as a Member of the Exchange. In case of rejection of the application for admission to the Membership of the Exchange, the reason for such rejection shall be recorded in writing.

Provided that if the Membership has been refused by the Committee appointed for the purpose, the applicant shall have the right to appeal to the Board against the decision of the said Committee.

The applicant shall meet the net worth requirement, capital adequacy norms, fees, deposits, etc., as decided by the Board of the Exchange or the SEBI, whichever is higher, from time to time in the relevant Business Rules.

a. Subject to the approval and decision of the Board or a Committee appointed and empowered by the Board for the purpose, every person applying for the Membership of the Exchange shall pay, along with the Membership application, non-refundable admission fee or any other fee/deposit as may be specified by the Board, from time to time. Where, however, a retiring Member of the Exchange orthe legal heir(s) of a deceased Member of the Exchange nominate(s) a person eligible for admission as a Member of the Exchange under these Rules,

to succeed the established business of the retiring or deceased Member of the Exchange who is his 'Family Member' such nominee shall be admitted as a Memberof the Exchange provided he is found otherwise qualified, eligible and fit for the Membership of the Exchange by the Board or a Committee under these Rules.

b. A Member of the Exchange on admission shall not be entitled to exercise any of the rights or privileges of Membership until he shall have paid in full the non- refundable admission fee and any other fee or deposit as may be decided by the Board, and the annual subscription for the year of admission for the specific category of Membership to which he has sought the admission. Where such Member fails to make such payment within such number of days of receipt of the intimation of his admission, as may be decided by the Exchange from time to time, his admission shall be deemed to have been cancelled ab initio and he shall be deemed never to have been admitted as a Member of the Exchange and the amount remitted to the Exchange shall be forfeited.

xxv. Admission Under Misrepresentation

The Governing Board may expel a Member of the Exchange, if in its opinion to be recorded in writing, such Member has in or at the time of his application for admission to Membership of the Exchange or during the course of the inquiry made by the Governing Board preceding his admission –

i made any wilful misrepresentation; or

ii suppressed / concealed any material information required of him as to his financial position, including financial liabilities, character and antecedents.

iii has directly or indirectly given false particulars or information or made a false declaration.

xxvi. Procedure Subsequent To Admission

i. A letter of intimation of Membership shall be issued to the newly admitted Member.

ii. Publication of Notice: When a Member of the Exchange is admitted and a letter of intimation as provided above is issued to the Member of the Exchange, notice of such admission shall be published on the website of the Exchange or notified by way of broadcast to the Members of the Exchange through the automated trading system or any other system of the Exchange.

xxvii. Register of Members

a. The Exchange shall maintain a register and index of Members of the Exchange. Inthe register of Members of the Exchange, the style, constitution and such other information as may be considered appropriate by the Relevant Authority may be collected and recorded for the use of the Exchange. In case of any change in these records, the Members shall be liable to intimate the Exchange and take permission prior to carrying out such changes. Further all other details of the Members of the Exchange may be stored on the system in electronic form apart from the hard copies of the details as provided by the Members of the Exchange along with the application form, which shall be stored appropriately.

b. Every Member of the Exchange shall notify the Exchange in writing about any change in the information provided by the Member of the Exchange at

the time of admission or at a later stage to the Exchange. The Exchange shall indicate the changes in respect of which the Member of the Exchange should takeprior approval from the Exchange. In case the Member fails to do so, then the Exchange shall charge penalty and/or take further disciplinary action as may be required.

xxviii. Subscription

a. Every Member of the Exchange shall pay the subscription, fee, deposit or any other charges as may be fixed by the Board, from time to time.

b. If any Member of the Exchange fails or neglects to pay subscription, fee, deposit or any other levies as required by the Board for a continuous period of six (6) months, the Board may declare such Member of the Exchange as a defaulter within the meaning of these Rules.

c. Provided that such defaulting Member of the Exchange shall be at liberty to applyfor re-admission as a Member of the Exchange by complying with the provisions of these Rules as applicable to re-admission of defaulters.

xxix. Security Deposit

a. Provision as to security deposit: The Exchange may prescribe payment of initial security deposit from a Member payable at the time of his admission. A new Member of the Exchange shall, not later than such number of days as may bespecified by the Exchange, from the date of intimation in writing by the Exchange conveying its decision on admission, provide security deposit of a sum and in such mode(s) as may be decided by the Governing Board from time totime and shall maintain such Base Minimum Capital with the Exchange at all times. The Exchange may also decide to bifurcate such security deposit into refundable and non-refundable security deposits and may allow trading and exposure limit only on such part of the security deposit, as it may deem fit.

b. Provision for Additional deposit: The Member of the Exchange shall be entitled to provide additional deposits in order to get higher limits to trade and settle. Base Minimum Capital.

c. Form of Base Minimum Capital: The Base Minimum Capital to be paid by a Member of the Exchange shall be payable in such form, as specified by the Exchange subject to such terms and conditions as the Exchange may from time totime stipulate.

d. First Charge/Paramount Lien on Base Minimum Capital (BMC), Base Capital, initial or Additional deposit: The Base Minimum Capital, Base Capital, initial and additional security deposit provided by a Member of the Exchange or designated partner or representative Member of the Exchange shall be subject to a first charge and paramount lien on any sum due to the Exchangeor to the Clearing Corporation by him or by the partnership or of the LLP of which he is a designated partner or by the company/body corporate in which he is a designated director/nominee or holds a place of profit or has holding in share capital as one of the promoters. Such Base Minimum Capital and additional base capital shall also be subject to further charge and paramount lien for the purpose of fulfilment of his engagements,

obligations and liabilities or of the partnership or of the LLP of which he is a designated partner or of the company/body corporate in which he is a designated director/nominee or holds a place of profit or holds share capital as one of the promoters, arising out of or incidental to any transactions made subject to the Rules, Bye-Laws and Regulations of the Exchange or anything done in pursuance thereof.

e. Utilization of Base Minimum Capital: Every Member shall deposit Base Minimum Capital ("BMC") with the Exchange as specified by the Exchange and / or SEBI, whichever is higher, from time to time. BMC shall be kept in a separate account by the Exchange. BMC shall, afterdefraying all such costs, charges and expenses as are allowed under the Rules, Bye-laws and Business Rules to be incurred by the Exchange, be utilized in the following order of priority:

a. Exchange Dues including subscriptions, debts, fines, fees, charges andother moneys due to the Exchange and/or SEBI;

b. Payment of arbitration fee and dues payable by the Member on accountof pending arbitration awards.

Further, the Exchange may debit from the deposits or other monies of the Member lying with his Clearing Member(s), in excess of his/ their dues, for payment of above dues.

f. Return of Base Minimum Capital or additional base capital to Members of the Exchange or Designated Partners: On the termination of his Membership ofthe Exchange, the Base Minimum Capital and the additional base capital not applied under the Rules, Bye- Laws and Regulations of the Exchange shall, at the cost of the Member of the Exchange or designated partner, be repaid subject to such terms and conditions as may be decided by the Governing Board from time to time and transfer either to him or as directed by him or, in the absence of such direction to his legal heirs/legal representatives after recovering all the dues of the Exchange and the Clearing Corporation.

However, the Exchange shall return back only such amount as may have been collected as a deposit in the form of Base Minimum Capital refundable or additional deposit for providing trading and clearing limits, subject to settlement of all pending dues and also settlement of all outstanding contracts subject to lockin period specified by SEBI form time to time. Such deposits or contributions, which are collected as non – refundable deposits, shall not be refunded.

g. Suspension on Failure to Maintain Base Minimum Capital: When a Member of the Exchange or designated partner or representative Member fails to provide Base Minimum Capital as and when specified by the Exchange, the Relevant Authority shall order deactivation of the trader work station/s suspending his business forthwith. A broadcast message of such deactivation shall immediately be released for information of other Members of the Exchange and such deactivation shall continue until further capital is providedby the defaulting Member of the Exchange to meet with the requirement of Base Minimum Capital.

h. Letter of Declaration: A Member of the Exchange or designated partner or representative Member providing Base Minimum Capital under the provisions of the

Rules of the Exchange shall sign a letter of declaration and/or other specified documents in the form prescribed in these Rules or in the Regulations.

i. **Nomination Form for Return of Base Minimum Capital and other Credit Amounts lying with the Exchange:** A Member of the Exchange may lodge with the Exchange, nomination in the form prescribed for receiving the repayment/return of the Base Minimum Capital and other credit amounts/collateral lying with the Exchange.

xxx. Lien on Deposits/Funds

a. The security deposit, margin, contribution to settlement guarantee fund and/or any other fund of a Member of the Exchange arising under these Rules, Bye- Laws, and Regulations shall be charged with the due repayment of all debts and obligations of such Member of the Exchange to the Exchange/Company, to the SEBI, to other Members of the Exchange; to the Clearing Corporation, and to any person arising out of contracts entered into and/or transacted under the Articles of Association, the Bye-Laws, Rules andRegulations of the Exchange. All such debts and obligations to the Exchange and/or SEBI shall rank in priority to all other claims; the debts to other Members of the Exchange shall rank pari passu and be entitled to have a charge on the residue thereof, if any, subject to such first charge; after payment thereof, the residue, if any, shall be charged with all dues to any person under any award made in any arbitration proceeding held under the provisions of the Articles, Bye-Laws, Rules and Regulations; and, after the above said appropriations, the residue thereof, if any, shall vest unconditionally with the Exchange.

b. On the termination of his Membership of the Exchange or on death or liquidation of the Member of the Exchange, all deposits, if any, not applied under the Bye- Laws, Rules and Regulations of the Exchange, shall at the cost of the Member of the Exchange be repaid either to him/it or as directed or in the absence of such direction to the nominees or legal representatives.

5. PARTNERSHIPS

A. Firms As Members of The Exchange

a. A partnership firm shall be eligible for admission as a Member of the Exchangeprovided it fulfils the following:

i) The firm is duly registered with the Registrar of Firms;

ii) The deed of partnership is approved by the Exchange;

iii) The deed of partnership contains a provision to the effect that the business of the firm shall at all times be carried out so as to comply with the Bye-Laws, Rules and Regulations of the Exchange, for the time being in force;

iv) The partners of the firm are acceptable to the Exchange; and

v) The deed of partnership permits individual partners of the firm from carrying on business of commodities /securities trading and/or clearing in their individual capacity or as partners in other irms;

vi) The Firm is not declared as a defaulter by any other Commodity Exchange or a period of five years has elapsed from the date of declaring it as a defaulter.

b. The firm has undertaken to fulfil the following:

i. The Exchange shall be informed of any change in the partnership deed or of partners within one (1) month of such change and if any such change is unacceptable to the Exchange, the firm shall upon receipt of such written communication desist from such action and if the firm fails to comply, the Exchange shall have the right to suspend the rights and privileges of such Member of the Exchange, for a period as may be decided by the Board, or expel such Member of the Exchange;

ii. The deed of partnership will include such provisions as the Exchange may from time to time require;

iii. The firm and its partners have undertaken unconditionally to fulfil any condition or requirement which the Exchange may insist upon for admission and continuance as a Member of the Exchange, from time to time; and

iv. Obtain prior approval in case of any addition of new partner(s) or change in partner(s) of the firm not amounting to dissolution of the firm.

c. No change in the name of an existing partnership shall be effected without prior intimation to the Exchange and its approval; and if it is so approved, it shall be posted on the notice Board / website of the Exchange.

d. None of the partners shall assign or in any way encumber his interest in the firm.

e. No person shall at the same time be a partner in more than one partnership firm carrying on the business of commodities /securities trading and/or clearing.

f. Notice of every change of partners, upon approval, shall be posted on the

notice Board of the Exchange.

g. Upon dissolution of the firm, firm shall cease to be a Member of the Exchange

h. The erstwhile partners of a dissolved firm, other than those who are Members of the Exchange in their personal capacity, shall have absolutely no right, privilege, entitlement or concession of a Member of the Exchange, or any claim against the Company or the Exchange in connection with his partnership business, by virtue of having been a partner in the erstwhile partnership firm.

i. Any partnership that violates any of the provisions herein above, after being afforded an opportunity of being heard, shall be liable to be suspended by the Board for such period as may be decided by the Board and/or expelled from the Membership of the Exchange.

B. **Partnerships by Members of the Exchange**

a. A Member of the Exchange desirous of carrying on business in partnership or admitting any person or persons as new partner or partners shall take approval of the Board or any other Relevant Authority in advance giving the names and particulars of the partners and the name of the partnership firm in the form, if any, prescribed. The existing Membership of the desirous Member of the Exchange shall then be transferred to the Partnership firm on admission of such firm as a Member of the Exchange. All regulatory compliances shall thereafter bein the name of the firm.

b. Every such application shall be accompanied by such information and a copy of the draft deed of partnership, initially in connection therewith as may be required by the Board or any other Relevant Authority . Thereupon, after giving permission, the Board or any other Relevant Authority shall record the partnership. When the partnership is entered into, a signed copy of the deed of partnership shall be delivered to the Exchange for the purpose of record within one month of its execution.

c. No change in the name of an existing partnership shall be effected without prior intimation to the Board or any other Relevant Authority and its approval.

d. None of the partners shall assign, or in any way encumber, his interest in the firm.

e. No Member of the Exchange shall at the same time be a partner in more than one such partnership firm.

f. Notice of the formation of partnership, the names of partners and every change therein shall be posted on the notice Board or any other Relevant Authority of the Exchange.

g. When the firm so constituted is dissolved, the firm shall cease to be a Member of the Exchange and thereupon only the original Members of the Exchange holding Membership in their individual capacity, and who was /were

partner(s) thereof may carry on business in own individual names, but subject to the payment of the admission fee or deposit, if any, that shall be payable by him in accordance with the Bye-Laws, Rules and Regulations in that behalf.

h. The Members of the Exchange which are partnership firms must communicate to the Exchange in writing under the signatures of all the partners or surviving partners any change in such partnership either by dissolution, retirement, death or reconstitution or otherwise.

i. A partner of a firm who is not a Member of the Exchange shall have absolutely no right, privilege, entitlement or concession of a Member of the Exchange, or any claim against the Company or the Exchange in connection with his partnership business, by virtue of he/she being a partner in the partnership with a Member of the Exchange. Provided that he shall be jointly and severally responsible for all dues, claims or demands pending, if any, against the partnership firm.

j. Any notice to the Exchange intimating dissolution of a partnership shall contain a statement as to which partner of the Member of the Exchange undertakes the responsibility of settling all outstanding liabilities, but that shall not deem to absolve the other partner or partners of his or their responsibility from such liabilities.

k. The Member of the Exchange, who is the partner of any partnership firm, which is a Member of the Exchange, shall be primarily liable and responsible for all dues, claims or demands against the partnership by the Company or the Exchange and also the liabilities of the partnership to the Exchange and its Members of the Exchange. Provided that the other partners shall also be jointly and severally responsible for all dues, claims or demands pending, if any, against the partnership firm.

l. Any Member of the Exchange entering into partnership with any person who is not a Member of the Exchange without the previous approval of the Board or any other Relevant Authority , shall, on proof thereof, before the Board or any other Relevant Authority and upon a resolution of the Board or any other Relevant Authority to that effect, be liable to be expelled from the Membership of the Exchange. Any partnership and/or Member of the Exchange who is a partner of such partnership that violates any of the provisions herein above, after being afforded an opportunity of being heard, shall be liable to be suspended by the Board or any other Relevant Authority for such period as may be decided by the Board or any other Relevant Authority and/or expelled from the Membership of the Exchange.

C. **Register Of Partnerships**

a. The Exchange shall maintain a register of partnerships. In the register of partnerships, there shall be entered the names of partnerships recognized by the Exchange in accordance with these presents and the partners thereof together with their respective addresses, the date of recognition and any change

in the partnerships and names together with the relevant dates of recognition andany changes in the partnerships and name together with the relevant dates.

b. So long as the name of the firm is included in the register of partnerships, the individual partners thereof shall not carry on the business of clearing, registering and settling any transaction or contract in their individual names.

D. Limited Liability Partnership (LLP) As Member Of The Exchange

i. LLP shall be eligible for admission as Member of the Exchange provided it fulfills the following:

a. It is registered under the Limited Liability Partnership Act, 2008;
b. The LLP agreement is approved by the Exchange;
c. The LLP agreement contains a provision to the effect that the business of the LLP shall at all times be carried out so as to comply with the Bye-Laws, Rules and Regulations of the Exchange, for the time being in force;
d. The partners and designated partners of the LLP are acceptable to the Exchange;
e. The LLP agreement permits individual partners of the LLP from carrying on business of commodities /securities trading and/or clearing in their individual capacity or as partners in other LLP;
f. In case of an LLP in which all the partners are body corporates or in which one or more partners are individuals and body corporates, at least two individuals who are partners of such LLP or nominee of such body corporates shall act as designated partners.

ii. The LLP has undertaken to fulfill the following:

a. The Exchange shall be informed of any change in the LLP agreement orof partners/designated partners within one (1) month of such change andif any such change is unacceptable to the Exchange, the LLP shall upon receipt of such written communication desist from such action and if theLLP fails to comply, the Exchange shall have the right to suspend the rights and privileges of such Member of the Exchange for such period as may be decided by the Exchange or expel such Member of the Exchange;
b. If so required by the Exchange, such other information including the listof partners along with the sharing pattern of the Limited Liability Partnership will be furnished to the Exchange;
c. The LLP agreement will include such provisions as the Exchange may from time to time require;
d. The LLP and its designated partners have undertaken unconditionally tofulfill any condition or requirement which the Exchange may insist upon for admission and continuance as a Member of the Exchange fromtime to time; and
e. No new partner shall be admitted by LLP without the prior approval of the Exchange.

iii. No change in the name of an existing LLP shall be effected without prior intimation to the Exchange and its approval; and if it is so approved, it shall be posted on the Notice Board of the Exchange.

iv. None of the partners/designated partners shall assign or in any way encumber his interest in the LLP.

v No person shall at the same time be a partner in more than one LLP carrying on the business of commodities/securities trading and / or clearing.

vi Notice of every change of partners of LLP, approval, shall be posted on the Notice Board of the Exchange.

vii An LLP shall cease to be a Member of the Exchange upon its dissolution or winding-up.

viii Partners of the LLP must communicate to the Exchange in writing under the signatures of all the partners or surviving partners any change in such partnership either by dissolution, retirement, death, winding-up or reconstitution or otherwise.

ix The erstwhile partners of a dissolved LLP, other than those who are Members of theExchange in their personal capacity, shall have absolutely no right, privilege, entitlement or concession of a Member of the Exchange, or any claim against the Company or the Exchange in connection with the LLP business, by virtue of having been a partner in the erstwhile LLP.

x A Partner of LLP which is a Member of the Exchange, shall not carry on business incommodities / securities trading and clearing, either, as a proprietor , partner of a Partnership Firm, partner of another LLP or director of any other company/body corporate which is Member of the Exchange, except with the previous approval of the Exchange.

xi. Any notice to the Exchange intimating dissolution of an LLP shall contain a statement as to who undertakes the responsibility of settling all outstanding contracts and liabilities of the dissolved/wound up LLP but that shall not be deemed to absolve the other partner/s of his/their responsibility for such outstanding contracts and liabilities.

xii Any LLP that violates any of the aforesaid provisions, after being afforded an opportunity of being heard, shall be liable to be suspended by the Relevant Authority for such period as may be decided by the Relevant Authority and/or expelled from the Membership of the Exchange.

6. CORPORATE MEMBERSHIP

A. Bodies Corporate as Members Of The Exchange

a. No company / body corporate shall be eligible for admission as a Member of the Exchange unless:

i) The memorandum and articles of association of the company are approved by the Exchange

ii) The objects for which the company is established shall include carrying on business in commodities and/or to clear and settle transactions/contracts in commodities.

iii) Company/body Corporate has not been declared as a defaulter by any other Commodity Exchange or a period of five years has elapsed from the date of declaring it as a defaulter.

b. The company has undertaken to fulfill the following:

i. To obtain prior approval from the Exchange for any change in itsstatus or constitution which would include,
1. amalgamation, demerger, consolidation or any other kind of corporate restructuring falling within the scope of section 391 of the CompaniesAct, 1956 (1 of 1956) or the corresponding provision of any other lawfor the time being in force;
2. change in its managing director(s), whole-time director(s) ordirector(s) appointed in compliance with clause (v) of sub-rule(4A) of rule 8 of the Securities Contracts (Regulation) Rules,1957; and
3. any change in control over the body corporate.]

ii. The list of shareholders along with the shareholding pattern of the company will be furnished to the Exchange, if so desired by the Exchange;

iii. The Articles of Association of the company will incorporate such provisions as the Exchange may from time to time require;

iv. The company has undertaken unconditionally to fulfil any condition or requirement, which the Exchange may insist upon for admission as a Member of the Exchange;

v. The business of the company shall at all times be so managed as to comply with the Bye-Laws, Rules and Regulations of the Exchange as may be applicable from time to time.

vi. A director of a company that is a Member of the Exchange shall not carry on business in commodities trading and clearing, either, as aproprietor, partner of a firm or a LLP or director of any other company which is a Member of the Exchange, except with the previous approval of the Exchange

vii. If there is any change in the shareholding pattern of the company, which is not acceptable to the Board of the Exchange, the Board may take such action

as it may think appropriate.

In respect of other forms of organization, the Exchange may decide the eligibility requirement, terms and conditions of the Membership of the Exchange.

B. Board to Approve Business Names

The Members of the Exchange desirous of carrying on their business under a particular business or firm or trade name or style shall intimate such name to the Exchange in writing. The Exchange may refuse to allow a Member of the Exchange to carry on business under a name which it considers misleading, if such name varies from the name of the body corporate or firm, and in such cases the Member of the Exchange shall be at liberty to choose any other name with the approval of the Exchange.

C. Trade Names Register To Be Kept

Where any Member of the Exchange has obtained the permission or approval of the Exchange to carry on business under a business or trade or firm name, the particulars thereof shall be entered in the register of business names, which shall be open for inspection by Members of the Exchange.

D. Appointment Of Approved Users

A Member of the Exchange carrying on business on the Exchange shall be entitled to appoint persons who are in his own exclusive employment or are his authorised persons as approved users with the permission of the Exchange for operating the trader work stations connected with the automated trading system of the Exchange and entering orders in such system/segment on behalf of such Member/Trading Member.

A Member of the Exchange desirous of appointing approved users shall apply for the permission of the Board in such form as the Board may from timeto time prescribe. The Board shall frame, from time to time, Rules and Regulations for the appointment, operations and cessation of approved users.

7. AUTHORIZED PERSON

1. Appointment Of Authorized Person

1.1 Member(s) of the Exchange may appoint one or more Authorized Persons after obtaining specific prior approval from the Exchange.

1.2 The approval as well as the appointment shall be specific for each such Authorized Person.

2. Procedure For Appointment

2.1 A Member of the Exchange may apply to the Exchange, in such format as may be notified by the Exchange for appointment as "Authorized Person".

2.2 On receipt of the application for approval of the appointment ofan Authorized Person from its Member, the Exchange may:

a) accord approval on satisfying that the person is eligible forappointment as Authorized Person, or

b) refuse approval on satisfying that the person is not eligible for appointment as Authorized Person.

2.3 The Exchange will have the discretion to refuse or withdraw permission if any, granted/to be granted to any Authorized Person at any time without assigning any reason, if the Exchange, in its absolute discretion, considers such refusal / withdrawal to be in the interest of the market.

3. Eligibility Criteria

3.1 Individuals

a. An individual is eligible to be appointed as "Authorized Person" if he is a citizen of India;
b. is not less than 18 years of age;
c. has not been convicted of any offence involving fraud ordishonesty;
d. has a good reputation and character;
e. has passed at least 10th standard or equivalent examination from an institution recognized by the Central Government/State Government; and
f. The approved users and / or sales personnel of Authorized Persons shall have the necessary certification of the respective segments at all points of time.

3.2 A Partnership Firm, LLP Or A Body Corporate

A partnership firm, LLP or a body corporate is eligible to beappointed as Authorized Person;

a. If all the partners or directors, as the case may be, comply with the requirements contained in clause above.

b. The object clause of the partnership deed or of the Memorandum of Association contains a clause permitting the person to deal in securities/ contracts.

3.3 Infrastructure

The Authorized Person must have necessary infrastructure, viz., adequate office space,

equipment, manpower and such other infrastructural facilities, which the Exchange may prescribe from time to time, to effectively discharge the activities on behalf of the Member.

4. Conditions of Appointment

4.1 On being appointed as an "Authorized Person" of a Member of the Exchange, such person or entity shall not, during continuation of being an Authorized Person of such Member, qualify for becoming Authorized Person of any other Member of the Exchange.

4.2 The Authorized Person shall not receive or pay any money or deal in deliveries of commodities in its own name or account. All receipts and payments of money and dealings in commodities shall be in the name or account of the concerned Member of the Exchange of whom he is appointed as the Authorized Person.

4.3 The Authorized Person shall receive his remuneration- fees, charges, commission, salary, etc. for his services only from the Member of which it is an "Authorized Person" and he shall not charge any amount under whatever head from the clients of the Member of the Exchange.

4.4 All acts of omission and commission of the Authorized Person shall be deemed to be those of the Member.

4.5 The Member and the Authorized Person shall enter into written agreements(s) in the form(s) specified by the Exchange. The agreement shall, inter alia, cover scope of the activities, responsibilities, confidentiality of information, commission sharing, termination clause, etc.

4.6 The permission granted by the Exchange for any Authorized Person is only to facilitate the Members to trade on the Exchange platform through persons authorized by them and such permission shall not be construed in any manner whatsoever to waive, reduceor affect the liability and responsibility of the Member in such matter.

4.8 The Member shall be responsible for all acts of omission and commission of the Authorized Person.

4.9 A partner or director of an Authorised Person shall not be appointed as an Authorized person of another Member of the Exchange.

In addition to the conditions prescribed above, an applicant shall fulfill all conditions that may be prescribed by SEBI from time to time.

5. Withdrawal of Approval

Approval given to an Authorized Person may be withdrawn by the Exchange:

5.1 on receipt of a request to that effect from the Member or the Authorized Person concerned, subject to compliance with the requirements that may be prescribed by the Exchange;

5.2 on being satisfied that the continuation of the Authorized Person is detrimental to the interests of investors or the commodities securities market.

5.3 on becoming ineligible under clause 3 above at a subsequent date.

5.4 upon the directions of the SEBI.

6. Obligations Of The Members Of The Exchange

6.1 The Member shall permit the Authorized Person to admit or introduce clients and accept orders from the clients on their behalf only after receipt of communication regarding registration of Authorized Person by the Exchange subject to conditions mentioned in other sub-rules mentioned hereunder.

6.2 The Member shall be responsible for all acts of omission and commission of his Authorized Person and/or their employees, including liabilities arising therefrom.

6.3 If any trading terminal is provided by the Member to an "Authorized Person" the place where such trading terminal is located shall be treated as branch office of the Member.

6.4 The Member shall display at each such branch office, additional information such as, particulars of Authorized Person in charge of that branch, terms and conditions of his appointment, timelines for dealing through Authorized Person, etc. as may be specified by the Exchange.

6.5 The Member shall notify changes, if any, in the Authorized Person to all registered Clients of that branch at least 30 days before such change or such other days as may be specified by the SEBI or the Exchange.

6.6 The Member shall conduct periodic inspection of the branches assigned to Authorized Persons and records of the operations carried out by them, as prescribed by the Exchange.

6.7 It shall be the responsibility of the Member to audit the records of its Authorized Person to ensure that they comply with the Rules, Bye- Laws and Regulations of the Exchange.

6.8 The client dealing through an Authorized Person shall be registered with the Member only. The funds, monies, commodities/ securities or warehouse receipts, as the case may be, of the clients shall be settled directly between the Member and client. No fund or commodities / securities of the clients shall be transferred/ deposited /credited into any account of an Authorized Person.

6.9 All documents like contract notes, statement of funds and commodities / securities etc. would be issued by the Member to the client. Authorized Person may provide administrative assistance in procurement of documents and settlement, but shall not issue any documents to client in its own name.

6.10 On noticing irregularities, if any, in the operations of an Authorized Person, the Member shall forthwith seek withdrawal of approval, withhold all monies due to Authorized Person till resolution of client grievances, alert clients in the location where Authorized Person operates, file a complaint with the police, and take all measures as may be required to protect the interest of its clients and the market.

6.11 Members shall ensure that no orders are executed at the Authorized Person's end before all documents as prescribed by the Exchange or the SEBI, are obtained from each such client.

6.12 Uploading of details pertaining to the Unique Client Code shallbe the responsibility of the Member and the Authorized Person cannot create or allot Unique Client Code to any client.

6.13 All documents as mentioned above should be available with the Member for audit and

inspection as and when required by the Exchange or the SEBI.

7. Obligations Of The Exchange

7.1. The Exchange shall maintain a database of all the Authorized Persons, which shall include the following:

a) PAN number of Authorized Person and in case of partnershipor body corporate, PAN number of all the partners or directors as the case may be along with photographs.
b) Details of the Member with whom the Authorized Person is registered.
c) Locations of the branch assigned to the Authorized Person.
d) Number of terminals and their details given to each Authorized Person.
e) Withdrawal of approval of an Authorized Person.
f) Change in the status or constitution of Authorized Person.
g) Disciplinary action taken by the Exchange against any Member for violations of the SCRA/ SEBI Act, Byelaws, Rules, Regulations of the Exchange or directions of the SEBI, as the case may be, by the Authorized Person.

All the above details except (a) above, shall be made available on the website of the Exchange.

7.2 While conducting the inspection of the Member, the Exchange may, also conduct an inspection of branches where the terminals of Authorized Persons are located and records of the operation are carried out by them.

7.3 Any dispute between a client and an Authorized Person shall be treated as a dispute between client and the Member and the same shall be redressed by the Exchange accordingly.

7.4 In case of withdrawal of approval of an Authorized Person due to disciplinary action or upon the regulatory directive, the Exchange shall issue a press release and disseminate the names of such Authorized Persons on its website citing the reason for withdrawal or cancellation of approval.

8. Number of Work Stations

The Governing Board shall determine from time to time the number of Trader Work Stations that may be provided to a Member of the Exchange and the number of approved users a Member of the Exchange shall be entitled to employ.

9. Constituted Attorney

Power To Appoint Attorney As Good As Authorized Representatives

a. A Member of the Exchange may give a power of attorney to any person to carry on or supervise his business in the Exchange or to clear and sign contracts, reports and statements on his behalf in respect of transactions in the Exchange; provided the person so appointed is at least twenty-one years of age, is in all other respects eligible for election as a Member of the Exchange and his appointment is previously approved by the Board.
b. Any power of attorney granted by the Member of the Exchange or any change thereof may be intimated by the Exchange by posting a notice of the fact on the notice Board of the Exchange.
c. A register of constituted attorneys shall be maintained by the Exchange in which shall be entered the names of the constituted attorneys and the names of the

appointing Members of the Exchange and any changes thereof, together with the dates on which the authority is granted and/or rescinded, which shall be open for inspection by the Members of the Exchange.

d. Nothing contained in these presents shall absolve the Member of the Exchange granting the power of attorney from responsibility for the acts or omissions of his attorney.

e. No person shall be entitled to admission to the offices of the Exchange or offices of the Exchange by reason only that he holds a power of attorney from a Member of the Exchange.

f. No Member or constituted attorney /authorized representative or Remiser shall manage portfolio for any passive client. The Member shall keep record of each order placed by the client in the form of written or electronic document or the voice recording instrument. Such record shall be preserved and maintained at least for two years and in disputed cases, till six months from the final disposal of dispute, at a place notified by the Member of the Exchange.

8. TERMINATION OF MEMBERSHIP

a. Loss Of Membership

a) Any Member of the Exchange shall cease to be a Member of the Exchange on the happening of any one or more of the following instances:

i. By death;

ii. By Dissolution in case of partnership firm or LLP;

iii. By expulsion in accordance with the Bye laws, Rules and Regulationsand also the provisions herein contained;

iv. By being declared as a defaulter in accordance with these presents, the Bye-Laws, Rules and Regulations or any other commodity Exchange;

v. He is adjudged bankrupt or a receiving order in bankruptcy is made against him or he is proved to be insolvent;

vi. He is convicted of an act involving moral turpitude;

vii. By resignation/surrender of Membership;

viii. He is declared as lunatic;

ix. Being a company/body corporate, it ceases to maintain or have the characteristics of eligibility under the provisions of the Rules and Articlesof the Exchange or is wound up;

x. He is declared as bankrupt/insolvent;

xi. Failure to submit any document(s) for SEBI registration or application submitted to SEBI for registration is withdrawn by the Exchange or rejection of application for registration by the SEBI;

xii. Certificate of registration with SEBI is cancelled;

Notwithstanding anything contained in any other provisions of the Articles, Bye-Laws, Rules and Regulations of the Exchange, the expulsion of Members of the Exchange from the Membership of the Exchange, whether bodies corporate, partnerships, individuals or such other persons as are admitted as Member of the Exchange, shall be final and conclusive.

b. **Nomination, Transmission, Surrender and Declaration of Defaulter**

In case an individual, who is a Member of the Exchange in his own name or is the sole proprietor of the Membership of the Exchange dies, his legal representatives or the authorised representatives or approved users, if any, on behalf of such deceased shall not continue to carry on any business in the name of Membership of the deceased except for the purpose of winding up outstanding business of the deceased.

After the death of an individual who is the Member of the Exchange in his own name or is the sole proprietor of the Membership of the Exchange, his heirs, or his legal representatives may request the Board to transmit the Membership of the deceased to his heir who is otherwise eligible for the

Membership of the Exchange and the Board may in their absolute discretion transmit the Membership in the name such heir.

No fresh admission fee shall be charged from the person in whose name the Membership is transmitted under this Article.

A Member shall also be entitled to surrender his Membership. In case of such surrender, the Membership so surrendered shall lapse. Such surrender of Membership shall be valid,only after approval thereof by the Relevant Authority of the Exchange and also subject to compliance with such procedure, terms and conditions, as may be laid down by the Exchange.The application for surrender of Membership, once filed, is irrevocable and irreversible unless allowed by the Relevant Authority authorized to approve the surrender applications, upon being satisfied with the reasons for such revocation. After approval by the Relevant Authority , the erstwhile Member shall be entitled to get his refundable security deposit, subject to settlement of all pending dues and claims, if any and also subject tominimum lock in period specified by the Exchange.

c. **Nomination**

Every Member of the Exchange shall be entitled to nominate another person as his successor to the Membership of the Exchange subject to the conditions and restrictions set forth hereinafter or in the Regulations of the Exchange. Where, however, the legal heir(s) of a deceased Member of the Exchange nominate(s) a person eligible for admission as a Member of the Exchange under these presents to succeed the established business of the deceased Member of the Exchange, who is his father, uncle, brother or son or such other person who in the opinion of the Board, is a close relative, such nominee shall be admitted as a Member of the Exchange provided he is otherwise qualified and eligible for Membership of the Exchange under these presents.

1. Forms of Nomination

i. **Form for Member of the Exchange nominating during his lifetime**: A Member of the Exchange may lodge with the Exchange nomination in the form prescribed by the Exchange tendering his resignation from Membership of the Exchange. This nomination in favour of a person other than a family Member shall be valid if lodged with the Exchange during the lifetime of the Member of the Exchange and shall automatically get revoked, if the Member of the Exchange expires before this nomination form is lodged with the Exchange.

ii. **Form of Nomination in Favour of a Family Member**: A Member of the Exchange may lodge with the Exchange nomination in the prescribed form, tendering his resignation from Membership. This nomination lodged by a Member of the Exchange during his lifetime in favour of a family Member shall be valid until substituted by a fresh nomination.

iii. **Form for Legal Heirs/Legal Representatives:** Legal heirs/legal representatives shall be required to lodge with the Exchange nomination in the prescribed form, exercising right of nomination vested in them in respect of the deceased Member of the Exchange.

a. The Membership of the Exchange shall be transferable on payment of such fee as the Exchange may prescribe from time to time provided that such transfer shall be effected only from the date of the approval by the Board. The Board shall have the power to refuse transfer of Membership if in the interest of the Exchange; it is expedient to do so.

b. The Board shall also be competent to decide other terms and conditions relating to transfer of Membership from time to time.

c. **Notice of Nomination:** A notice of the proposed nomination shall be posted on the notice Board or notified by way of broadcast through the automated trading system of the Exchange. Within 15 calendar days of the posting/notifying, as the case may be, of such notice, any person or any Member of the Exchange may file claims against the Member of the Exchange in respect of whom the nomination has been made and/or the persons in whose favor the nomination has been made and any claim not so filed, within the said period, shall be rendered liable for summary rejection and may not be considered by the governing Board.

d. **Dues and Claims:** The Governing Board shall not approve a nomination unless the nominating Member of the Exchange, and in the case of a deceased Member, his legal heirs/legal representatives or the person/s in whose favor the nomination has been made, shall have paid and satisfied in full:

i. **Dues of the Exchange:** Such subscriptions, debts, fines, fees, charges and other monies due to the Exchange and/or the Clearing Corporation payable by the nominating Member of the Exchange or by the legal heirs/legal representatives on behalf of the deceased Member of the Exchange.

ii. **Liabilities relating to contracts:** Such debts, liabilities, obligations and claims arising out of any contract made by the nominating or deceased Member of the Exchange, subject to the Rules, Bye-laws and Regulations of the Exchange, as shall have been admitted by the Governing Board or the Membership Committee and all amounts due or payable by the nominating or deceased Member of the Exchange to the Settlement/Trade Guarantee Fund or any other fund of the Exchange.

e. **Nomination:** If a nominee is not eligible under the Rules or Regulations of the Exchange or if a nominee be rejected by the Governing Board, a fresh nomination or nominations may be submitted to the Exchange, until a nominee is admitted as a Member of the Exchange.

f. **Interview:** A candidate for admission shall appear personally before any meeting of the Membership Selection Committee/Governing Board for an interview.

2. Rules for Nomination:

i The nomination may be made by a Member of the Exchange whether before or after his resignation and shall be in such form or forms as the Board may, from time to time, prescribe.

ii The legal representatives of a deceased Member of the Exchange or his heirs, with the sanction of the Board, may nominate any person eligible under these presents for admission to Membership of the Exchange as a candidate for admission in the place of the deceased Member of the Exchange.

iii A Member of the Exchange who has resigned from Membership of the Exchange shall be entitled to exercise the power of nomination hereby conferred only if he had been a Member of the Exchange for a period of not less than three (3) years prior to the date of his resignation. Provided further that the requirement as to Membership of the Exchange for three (3) years shall not apply to succession by nomination on death of a Member of the Exchange.

iv A Member of the Exchange who intends to resign may also exercise the aforesaid power of nomination, provided that in his letter of nomination, the nominating

Member of the Exchange shall also tender his resignation as Member of the Exchange to take effect immediately upon the admission of the nominee as a Member of the Exchange.

v If any person so nominated is found ineligible for admission as a Member of the Exchange under the provisions of these presents or if the Board rejects the application of the nominee for Membership of the Exchange, the nominating Member of the Exchange or nominating legal representatives of a deceased.

viWhere a Member of the Exchange makes a nomination before resigning and has tendered his resignation thereafter, and if the application of the nominee for Membership of the Exchange is rejected by the Board, the resignation of the nominating Member of the Exchange shall not take effect until his nominee has been admitted as a Member of the Exchange.

vii The person so nominated by a Member of the Exchange or by his legal representatives shall send in his application for Membership of the Exchange in accordance with these presents and the application shall be dealt withon its merits and no nominee shall be entitled to be admitted by reason only of hishaving been nominated unless he is duly qualified in accordance with these presents.

viiiA person applying for Membership of the Exchange with a nomination as aforesaid shall be bound to pay such fee as prescribed in the Bye-Laws, Rules and Regulations of the Exchange. Provided that, the Board may decline to consider the nomination made by a Member of the Exchange or legal representative of a deceased Member of the Exchange unless all amounts due by the Member of the Exchange or the deceased Member of the Exchange to the Exchange arising out ofthe contracts cleared and/or transacted by the nominating Member of the Exchange or deceased Member of the Exchange under these presents shall have been paid and satisfied in full; and if not so paid in full within such period as maybe notified by the Board, the Board shall be entitled to reject such nomination.

ix.Board shall recognize the executor or administrator of the estate of the deceased Member of the Exchange as the person entitled to nominate in accordance with these presents; provided that where there is no executor or administrator of the estate of the Member of the Exchange, the Board may recognize the claim of any person to be the heir of the deceased Member ofthe Exchange for the purpose of making the nomination as aforesaid on such evidence and subject to such conditions as to indemnity and security as the Board may consider necessary.

9. DEFAULT

1. Declaration of Defaulter

A Trading Member may be declared a defaulter by direction / circular / notification of the Relevant Authority if-

(a) he is unable to fulfill his obligations; or

(b) he admits or discloses his inability to fulfill or discharge his duties, obligations and liabilities; or

(c) he fails or is unable to pay within the specified time the damages and the money difference due on a closing-out effected against him under the Bye Laws, Rules and Business Rules or

(d)he fails to pay any sum due to the Exchange or to submit or deliver to the Exchange on the due date, delivery and receive orders, statement of differences and securities, balance sheet and such other clearing forms and other statements as the Relevant Authority may from time to time prescribe; or

e) if he fails to pay or deliver to the Relevant Authority all monies, securities and other assets due to a Trading Member who has been declared a defaulter within such time of the declaration of default of such Trading Member as the Relevant Authority may direct; or

(f) if he fails to pay, fulfill or discharge his duties, obligations and liabilities to his Clearing Member;

(g) if he fails to abide by the arbitration award / order passed by the Investor Grievance Redressal Committee or Panel /conciliator as laid down under the Bye Laws, Rules and Business Rules; or

h) if he, being an individual and /or partnership firm, /it, being a company incorporated under the Companies Act, files an application a petition before a Court of Law for adjudication of himself as an insolvent or an insolvency application is filed against it in accordance with the provisions of the Insolvency and Bankruptcy Code 2016 or any other analogous bankruptcy laws applicable to him / it, as the case maybe.

2. Declaration of default and / or expulsion by other recognized stock Exchange / Clearing Corporation

Without prejudice to the foregoing, if a Trading Member is either expelled and / or declared a defaulter by any other recognized stock Exchange or recognized Clearing Corporation, the said Trading Member may be expelled and / or declared a defaulter by the Exchange after providing an opportunity of being heard to such member, unless SEBI directs otherwise from time to time.

Notwithstanding anything contained in this Rule, the trading facility of the Trading Member shall be withdrawn immediately after the receipt of information of expulsion and / or declaration of default by any other recognized stock Exchange or recognized Clearing Corporation.

3. Failure to fulfil Obligations

The Relevant Authority may order a Trading Member to be declared a defaulter if he fails to meet an obligation to a Trading Member or constituent arising out of Exchange transactions.

4. Relevant Authority To Frame Procedures For Declaration Of Default

The Relevant Authority shall be entitled to specify appropriate provisions and procedures consistent with the Rules, Bye-laws and Business Rules for and in connection with declaration of a Trading Member as a defaulter and realization of claims against the defaulter, its constituents or others and their respective assets.

5. Action Against Associate In Case Of Declaration Of Default

On a Trading Member being declared a defaulter, the Relevant Authority may take appropriate action against the associates of such defaulter Member.
The term "associate/s" shall have such meaning as may be defined by SEBI in this regard, from time to time.

6. Insolvent a Defaulter

A Trading Member, being an individual and/or partnership firm, /it, being a company incorporated under the Companies Act, an application is admitted against him/ it in accordance with the provisions of the Insolvency and Bankruptcy Code 2016 or any other analogous bankruptcy laws applicable to him / it, as the case maybe, shall be declared a defaulter although he/it may not have at the same time defaulted on any of his / its obligations on the Exchange provided however the time for preferring an appeal against such order under the applicable Acts, if any, has expired.

7. Trading Member's Duty to Inform

A Trading Member shall be bound to notify the Exchange immediately if there be a failure by any Trading Member to discharge his liabilities in full.

8. Compromise Forbidden

A Trading Member of the Exchange guilty of accepting from any Member of the Exchange anything less than a full and bonafide money payment in settlement of a debt arising out of a transaction in securities shall be suspended for such period as the Relevant Authority may determine.

9. Notice of Declaration of Default

On a Trading Member being declared a defaulter a notice to that effect shall be placed on the website of the Exchange and on such other place, as the Relevant Authority deems fit.

10. Inviting of Claims

Manner of filing/inviting claims from investors, eligiblity of claims, determination of claims and disbursement of claims shall be as specified by SEBI/Exchange/Relevant Statutory Authority from time to time.

11. Defaulter's Books and Documents

i. When a Trading Member has been declared a defaulter, the Exchange shall take charge of all his books of accounts, documents, papers and vouchers either in physical or electronic mode ("records") to ascertain the state of his affairs and the defaulter shall hand over such books, documents, papers and vouchers to the Exchange.

ii. **List of Debtors and Creditors:** The defaulter shall file with the Exchange within such time of the declaration of his default as the Exchange may direct a written statement containing a complete list of his debtors and creditors and the sum owing by and to each.

iii. **Defaulter to give information:** The defaulter shall submit to the Exchange or Relevant Authority such statement of accounts, information and particulars of his affairs as the Relevant Authority may from time to time require and if the Relevant Authority so desires, he shall appear before the Relevant Authority at its meeting in connection with his default.

iv. **Vesting of Assets:** The Relevant Authority shall call in and realize the deposits in any form, margin money, other amounts lying to the credit of and securities deposited by the defaulter and recover all monies, securities and other assets due, payable or deliverable to the defaulter by any other Member/constituent in respect of any transaction or dealing made subject to the Bye- laws, Rules and Regulations of the Exchange and/or all other assets/amounts/securities belonging to other parties which the Exchange may be entitled to realize and appropriate. All these assets shall vest ipso facto, on declaration of a Member as a defaulter in the Exchange for the benefit of and on account of any dues or obligations of the defaulter to the Exchange, Clearing Corporation, SEBI, Constituents, Investor Protection Fund of the Exchange, other recognized stock Exchanges and Clearing Corporations, other Trading Members and approved banks in the manner provided in the Rules and/or as may be prescribed by SEBI from time to time.

In case both the Clearing Member and its constituent Trading Member are declared a defaulter, the Relevant Authority of the Exchange and Clearing Corporation shall work together to realize the assets of both the Clearing Member and the Trading Member.

12. Closing-out

(a) Constituents having open transactions with the defaulter shall close out such transactions on the Stock Exchange after declaration of default. Such closing out shall be in such manner as may be prescribed by the Relevant Authority from time to time. Subject to the regulations in this regard prescribed by the Relevant Authority , when in the opinion of the Relevant Authority , circumstances so warrant, such closing out shall be deemed to have taken place in such manner as may be determined by the Relevant Authority or other authorised persons of the Exchange.

(b) Differences arising from the above adjustments of closing out shall be claimed from the defaulter or paid to the Relevant Authority for the benefit of constituent of the defaulter.

Provided that, if the Relevant Authority in its discretion deems fit, and subject to such terms and conditions as it may specify, all, some or any of the open positions/dealing of any constituent(s) of the Member as may be decided by the Relevant Authority may, instead of being closed out, be transferred to any other Member who agrees to accept such transfer.

13. Accounts of Relevant Authority

The Exchange shall keep a separate account in respect of all monies, securities and other assets of the defaulter vested with the Relevant Authority and shall defray therefrom all costs, charges and expenses incurred in or about the collection / realization of such assets or in or about any proceedings it takes in connection with the default.

14. Report

The Exchange shall present to the Relevant Authority a report relating to the assets realized, the liabilities outstanding / discharged and any other affairs of the defaulter.

15. Scale of Charges

The costs, charges and expenses incurred in respect to the collection / realization / maintenance of all monies, securities and other assets of the defaulter or in respect to any proceedings thereof shall be such sum as approved by the relevant Authority from time to time.

16. Application of Assets

The Relevant Authority shall realize and apply all monies, rights and assets of the defaulter which have vested in or which have been received by the Exchange and all other assets and money of the defaulter including the money, securities and warehouse receipts receivable by him from any other Member or Constituent, money, securities and warehouse receipts of the defaulter lying with the Exchange / Clearing Corporation or credit balances lying in the Exchange, security deposits, any bank guarantees furnished on behalf of the defaulter, fixed deposit receipts discharged or assigned to or in favour of the Exchange, monies or contribution deposited with the Exchange by the defaulter, any security created or agreed to be created by the defaulter or any other person in favour of the Exchange and/or all other assets/amounts/securities belonging to other parties which the Exchange may be entitled to realize and appropriate for the obligations of the defaulter to the following purposes and in the following order of priority, viz:

a) The payment of such subscriptions, debts, fines, fees, charges and other money as shall have been determined by the Relevant Authority to be due to the Exchange or Clearing Corporation or SEBI, in the order of priority as mentioned hereinabove.

b) Dues to the extent of principal amount to Constituents of the defaulter the payments of which have been admitted by the Relevant Authority . Provided that if the amount is insufficient then the amounts shall be distributed pro rata amongst the Constituents of the defaulter.

Provided however that if any amount is payable by such constituent to the defaulter, then the Relevant Authority shall be entitled to set-off such amount /obligation payable by such constituent against the amount payable from the defaulters' assets.
Any amounts determined and payable to the constituents, shall be distributed / paid either by crediting his account or in such other manner as the Relevant Authority directs. If any amounts, determined and payable, remain unclaimed for prescribed period, the same shall be dealt with or disposed of by the Relevant Authority as it deems fit. If any person(s) entitled to receive the amounts, has expired or wound up, all such amounts due to such person(s) shall be paid to his legal representative or heirs or successors.

c) To reimburse the Investor Protection Fund for any payments made therefrom.

d) Dues to the extent of principal amount to any other recognized stock Exchange / Clearing Corporation

After meeting the claims under (a to c) above, the amounts, if any, shall be disbursed to any other recognized Stock Exchange / Clearing Corporation for the purpose of meeting the obligations of the defaulter as Member of that Stock Exchange / Clearing Corporation. If the defaulter is a Member of more than one recognized stock Exchange / Clearing Corporation, then the remaining amount shall be distributed amongst all such recognized stock Exchanges / Clearing Corporations and if the remaining amount is insufficient to meet the claims of all such stock Exchanges / Clearing Corporations, then the remaining amount shall be distributed pro rata among all such stock Exchanges / Clearing Corporations;

e) To reimburse the Investor Protection Fund of other recognized stock Exchanges. Balance amount, if any, shall be distributed pro rata amongst stock Exchanges for reimbursing

their respective Investor Protection Fund to the extent of claims settled out of the Investors Protection Fund.

f) Dues to the extent of principal amount to other Trading Members and Clearing Members, the payments of which have been admitted by the Relevant Authority . Provided that if the amount is insufficient then the amounts shall be distributed pro rata amongst other Trading Members and Clearing Members.
Provided however that if any amount is payable by such Trading Members and Clearing Members, then the Relevant Authority shall be entitled to set-off such amount /obligation payable by such Trading Members and Clearing Members against the amount payable from the defaulters' assets.
Any amounts determined and payable to other Trading Members and Clearing Members, shall be distributed/ paid either by crediting his account or in such other manner as the Relevant Authority directs. If any amounts remain unclaimed for prescribed period, the same shall be dealt with or disposed of by the Relevant Authority as it deems fit. If any person(s) entitled to receive the amounts has expired or wound up, all such amounts due to such person(s) shall be paid to his legal representative or heirs or successors.

g) For clearing the dues of a clearing bank to the extent of the principal amount; if there are more than one clearing banks then the amounts, if any, shall be distributed amongst all clearing banks on a pro rata basis;

h) Surplus assets, if any, may be released to the defaulter in accordance to the process prepared under guidance of SEBI /as directed by SEBI from time to time with the decision of Relevant Authority ;

Provided that if the defaulter has expired then the surplus assets, if any, shall be released to the legal heirs / successors of the defaulter as the Relevant Authority may decide from time to time.

In case the assets of the defaulter realized by the Exchange is insufficient to meet the liabilities of the Trading Member under the Rules, Byelaws and Regulations of the Exchange, then the claims shall be satisfied from the other assets (common pool of assets) of the defaulter realized in the manner as may be prescribed by SEBI from time to time.

17. Certain Claims Not To Be Entertained

The Relevant Authority shall not entertain any claim against a defaulter:

a) which arises out of a contract in securities dealings in which are not permitted or which are not made subject to Bye Laws, Rules and Regulations of the Stock Exchange or in which the claimant has either not paid himself or colluded with the defaulter in evasion of margin payable on bargains in any security; Or

b) which arises from any arrangement for settlement of claims in lieu of bona fide money payment in full on the day when such claims become due; Or

c) which is in respect of a loan with or without security; Or

d) which is not filed with the Relevant Authority within such time of date of declaration of default as may be prescribed by the Relevant Authority , Or

e) in terms of the framework prescribed by SEBI/ Exchange from time to time.

18. Claims Of Relevant Authority

A claim of a defaulter whose estate is represented by the Relevant Authority against another defaulter

shall not have any priority over the claims of other creditor Trading Members but shall rank with other claims.

19. Assignment Of Claims On Defaulter's Estate

A Trading Member being a creditor of a defaulter shall not sell, assign or pledge its claim on the estate of such defaulter without the consent of the Relevant Authority .

20. Proceedings in name of or against the Defaulter

The Relevant Authority shall be empowered to:

a. initiate any proceedings in a court of law either in the name of the Exchange or inthe name of the defaulter against any person for the purpose of recovering any amounts due to the defaulter,

b. initiate any proceedings in a court of law either in the name of the Exchange or in the name of creditors (who have become creditors of the defaulter as a result of transactions executed subject to and in accordance with Bye-laws, Rules and Business Rules of the Exchange) of the defaulter against the defaulter for the purpose of recovering any amounts due from the defaulter. The defaulter as well asthe creditors of the defaulter shall be deemed to have appointed the Exchange as their constituted attorney for the purpose of taking such proceedings.

21. Clearing Member responsible for dues of Trading Members

Notwithstanding that a Trading Member is suspended or declared a defaulter, the Clearing Member who has agreed to clear such Trading Member's trades/contracts shall be liable to satisfy the obligations/liabilities of the defaulter Trading Member arising out of dealings/transactions done on the Exchange and or such other amounts as may be specified by the Relevant Authority .

22. Charge on Defaulter's Assets

For the purpose of satisfying the liabilities/obligations of a defaulter under the Rules, Bye Laws and Regulations, the Exchange shall have a first charge on all assets and properties of the defaulter Member, wherever situated and of whatsoever nature, as security for the repayment of such money /obligation and the payment of interest thereon.

23. Revocation of Defaulter Status

The Defaulter shall cease to be a Defaulter upon payment of his/ its dues, as per the procedure prescribed by the Exchange /SEBI/Relevant Statutory authority from time to time.

10. DISCIPLINARY PROCEEDING, PENALTIES SUSPENSION AND EXPULSION

1. Disciplinary Jurisdiction

The Relevant Authority may expel or suspend and/or fine under censure and/or warn and/or withdraw any of the Membership rights of a Trading Member if it be guilty of contravention, non-compliance, disobedience, disregard or evasion of any of the Bye Laws, Rules and Regulations of the Exchange or of any resolutions, orders, notices, directions or decisions or rulings of the Exchange or the Relevant Authority or of any other Committee or officer of the Exchange authorised in that behalf or of any conduct, proceeding or method of business which the Relevant Authority in its absolute discretion deems dishonorable, disgraceful or unbecoming a Trading Member of the Exchange or inconsistent with just and equitable principles of trade or detrimental to the interests, good name or welfare of the Exchange or prejudicial or subversive to its objects and purposes.

2. Penalty for Misconduct, Unbusinesslike Conduct and Unprofessional Conduct

In particular and without in any way limiting or prejudicing the generality of the provisions in Rule (1) above, a Trading Member shall be liable to expulsion or suspension or withdrawal of all or any of its Membership rights and/or to payment of a fine and/or to be censured, reprimanded or warned for any misconduct, unbusinesslike conduct or unprofessional conduct in the sense of the provision in that behalf contained herein.

3. Code Of Conduct

i. Every Member of the Exchange shall be bound to promote to the best of his ability the objects and interests of the Exchange and to protect and safeguard the interests of his clients trading on the Exchange. The following shall constitute examples of good business practices. A Member shall be liable to expulsion, suspension and/ or to payment of a fine for any violation of good business practices:

   a. Members of the Exchange shall furnish a Risk Disclosure statement or any such statement, as may be prescribed by the Exchange, to all the clients willing to trade through them. This statement shall contain all the risks relating to contracts. Members of the Exchange shall insist that all such clients must read this statement before participating in a futures contract.

   b. Members of the Exchange shall not accept any order from any client unless the Risk Disclosure statement is read and acknowledged in writing by such client;

   c. Every Member shall access Byelaws, Rules and Regulations and notices, circulars, orders and instructions issued by the Exchange from time to time and shall also provide all relevant information to his clients, before executing any order on behalf of such client.

   d. Members of the Exchange shall not encourage, abet nor allow their clients to evade margin, security deposits, etc. in respect of trading on the Exchange and other financial and non financial compliance;

   e. A Member shall furnish to his clients all information pertinent to contracts, contract months, commencement months and deliveries, etc. as notified by the Exchange.

   f. Members shall explain the role of the Clearing Corporation and the scope and benefits of the same to his clients.

   g. No Member or person associated with the Member shall guarantee any profits, returns or

avoidance of loss to any client.

h. A Member in the conduct of his business shall observe high standards of commercial honour of just and equitable principles of trade.

i. Members shall adhere to the Rules, Business Rules and Bye - laws of the Exchange and shall comply with such operational parameters, rulings, notices, guidelines and instructions of the Relevant Authority as may be applicable from time to time.

j. In conducting his business activities, a Member shall act honestly and fairly, in the best interests of his constituents

k. A Member shall have and employ effectively the resources and procedures which are needed for the proper performance of his business activities.

l. No Member shall shield or assist any Member or fail to report regarding any Member whom he has known to have committed a breach or evasion of any Rules, Bye-Laws or Business Rules of the Exchange/Clearing Corporation or of any resolution, order, notice or direction there under to the Exchange or any Relevant Authority .

m. Except with the permission of the Relevant Authority , business shall not be transacted by the Member in contracts which have been suspended from official quotation.

n. Members shall ensure that the fiduciary and other obligations imposed on them and their staffs by the various statutory acts, rules and Business Rules are complied with.

o. Members shall ensure that any employee who commits the Members or Participants to a transaction has the necessary authority to do so.

p. Members shall ensure that employees are adequately trained in operating in the commodities/ securities market, in which they execute trades / transactions, are aware of their own, and their organization's responsibilities as well as the relevant statutory acts governing the Member, the Rules, Business Rules and Bye-laws of the Exchange including any additions or amendments thereof.

q. When entering into transactions on behalf of constituents, the Member shall ensure that they abide by the Code of Conduct and as enumerated in the Rules.

r. No Member or person associated with a Member shall make improper use of constituent's positions in contracts or commodities.

s. The Member shall not disclose the name and beneficial identity of a constituent to any person except to the Exchange or any other Relevant Authority as and when required by it.

t. A Member shall not –
   a) make bids and/or offers for contracts with an intention of creating a false or misleading appearance with respect to the market for, or the price of any contracts or;
   b) make a transaction or give an order for the purchase or sale of contracts, the execution of which would involve no change of beneficial ownership, unless the Member had no knowledge that the transaction would not involve a change in the beneficial ownership of contracts.

u. No Member shall publish and circulate or cause to be published or circulated, any notice, circular, advertisement, newspaper article, investment service or communication of any

kind which purports to report any transaction as a purchase or sale of any contracts unless such Member can establish if called for, that such transaction was a bonafide purchase or sale of such contract; or which purports to quote the purchase/ sale price for any contract unless such Member can establish if called for that such quotation represents a bonafide order of such contract.

v. A Member shall be responsible subject to the Rules, Bye-laws and Business Rules, for all the actions including trades originating through or with Trading Member Id and User Id of the Member.

w. A Member who has received in any capacity any information as to the purchase/sale of contracts, shall under no circumstance make use of such information for the purpose of soliciting purchases/sales.

ii. Every Member of the Exchange shall abide by all the Bye-Laws, Rules and Regulations of the Exchange as well as notices, circulars, orders and instructions issued by the Exchange from time to time. Any Member shall be liable to expulsion, suspension and/or to payment of a fine for any of the following acts or omissions:

a. Refusal to abide by awards: For neglecting or refusing to submit to, abide by and carry out any award or decision or order of any arbitrators or, surveyors or any Committee or the Board or Relevant Authority , made in conformity with Articles of Association of the Company or the Bye- Laws, Rules and Regulations.

b. Unbecoming conduct: For acting in any manner detrimental to the interest of the Exchange or unbecoming of a Member.

c. Misconduct: For any misconduct in his dealing with or relations to the Exchange or any Member or Members thereof or for any disreputable or fraudulent transactions with any person whether a Member or not of which complaint is made to the Managing Director or Relevant Authority , any Standing Committee or the Board by one or more Members or clients and is found to be valid by the Relevant Authority .

d. Disobedience: For violating, disobeying or disregarding any Bye-Laws or any enactment, order, ordinance or notification issued by the State or the Union Government in respect of trading in any commodities /securities, or the provisions of SCRA and Rules and Regulations made thereunder and SEBI Act and Rules and Regulations made thereunder and any directions issued by the SEBI or the Exchange.

e. Misinformation: For publishing or permitting to be published in any newspapers, circulars, or otherwise, any misrepresentation relating to the trade in any commodities or contracts, calculated to mislead the Members and/or the public.

f. Indifference and willful negligence: For not complying with any notice or request made to him by or on behalf of the Managing Director, any Committee or the Board or the Relevant Authority requiring him to attend any meeting of the Board or of any Committee or to produce any books, documents, correspondence or other papers in his possession, power or control, or for refusing or neglecting to answer any question put to him by the Managing Director, any Committee or the Board or the Relevant Authority , as the case may be, relevant to any business at any such meeting.

g. Failure to pay any dues: For failure to pay any amount due under these Rules and Regulations and order and instructions issued thereunder by the Exchange, and/or arbitration or any other fees when due or for non-payment of any fine imposed on him pursuant to these Rules or for failure to pay any other amount due by him under these

Rules or under any order of the Chief Executive, any Committee or the Board or the Relevant Authority within ten days after the same shall become payable.

h. Action detrimental to the Exchange: For any misconduct, in the sense of sub- sections referred to above inclusive as below, in his dealing with or relations to the Exchange.

i. Willful or intentional non –fulfillment of contractual obligations or fraudulent or flagrant breach of contract.
ii. Frivolous repudiation of contract.
iii. Refuse to refer any question in dispute to arbitration, survey or an appellate Committee or Umpire.
iv. Communicating secretly or indirectly with any arbitrator, surveyor, umpire or Member of appellate Committee to which the dispute has been referred to under the Bye- Laws, Rules and Regulations.
v. For any conduct, act or omission knowingly carried out to subvert the objects and purposes of the company and the Exchange, as provided in the Memorandum and Articles of Association of the company, or which is subversive of the Bye-Laws, Rules and Regulations of the Exchange, or which defeats the agreements entered into by the company or the Exchange with other organisations, agencies or entities for promoting the interests and activities of the Company and the Exchange.
vi. For any conduct, act, omission or negligence which renders the Member liable to be declared a 'defaulter' by the Board, the Relevant Authority or the Clearing Corporation under any of the provisions of the Bye- Laws, Rules and Regulations of the Exchange and/ or orders, circulars, notices and instructions issued by the Exchange.
vii. Disclosure of one client's open position to other clients or Members.

iii. Whenever the Managing Director or any of the designated officials or any of the Committees shall consider either by reason of complaint made to him or them in writing by one or more Members of the Exchange or by reason of any knowledge or information that there is sufficient reason for inquiring as to whether there has been any act or omission on the part of a Member of the Exchange rendering him liable to expulsion, suspension and/or payment of a fine, the Relevant Authority may give notice in writing to such Member or to any other Member requiring him to appear before any Committee or the Board within such time as stated in the notice.

iv. The Relevant Authority shall hear the Member with regard to whom it is proposed to recommend any resolution for expulsion, suspension and or imposition of a fine under these Rules, and hear the evidence or statements of himself or any witnesses present on his behalf at any such meeting. The Relevant Authority may also require the Member to produce for inspection any books, documents, correspondence or papers in his possession or under his control or that of his firm or company.

v. Whenever the Relevant Authority is of the opinion that a Member of the Exchange has become liable to expulsion, the Board may by resolution passed by majority of their Members present and voting expel such Member permanently from all rights of Membership, except the right to go for arbitration in respect of matters prior to such expulsion. Such resolution shall be final and binding. The Board or any other authority shall not be called upon to give any explanation or reason thereof;

vi. Whenever the Relevant Authority shall be of opinion that a Member has become liable to suspension and/or payment of a fine the Board may suspend him for any term not exceeding six calendar months from all rights of Membership except the right to go to arbitration for matters in dispute prior to such suspension. In addition to suspension or in lieu thereof a fine of Rs 1 lakh may be leveived by the Relevant Authority , Failure to pay such fine within the stipulated period shall render a Member liable to suspension, if he has not been suspended already, or

expulsion, if he has been only suspended.

vii. Before passing any resolution under Bye-Law v. and vi above, the Exchange shall give the Member concerned a notice in writing stating that there is a for the expulsion, suspension and/or fining of such Member and requiring him to attend a meeting of the Committee called for the purpose at which the said Member may produce whatever evidence or statements he wishes to present in his defence.

viii. A suspended Member shall during the period of suspension be deprived of and excluded from all the rights and privileges of Membership, except in respect of transactions outstanding at the time of suspension which he shall be bound to fulfil and in regard to which he shall be subjected to all the obligations and have all the rights thereof and of these Rules including the obligation and right to go to arbitration. The suspended Member shall also be liable to pay all fines, calls, subscriptions, and other moneys due or to become due from him during his suspension in the same manner as if he had not been suspended.

ix. A Member expelled by the Board shall forfeit all the rights and privileges of Membership including those conferred on him by the Bye-Laws, Rules and Regulations and he shall as from the date of the resolution cease to be a Member, but he shall continue to be liable for and fulfil his obligations to the Exchange or to any other Member at the date of his expulsion and for these purposes shall have the right and be under obligation to go to arbitration under these Rules.

x. In case a Member of the Exchange has been suspended, deactivated, expelled and / or declared defaulter, no other Member of the Exchange shall do business for or on behalf of such Member.

4. Misconduct, Un-Business like Conduct, Unprofessional Conduct And Prohibition Of Fraudulent And Unfair Trade Practices

Members shall be liable to expulsion, suspension and / or withdrawal of all or any of its Membership rights and / or to payment of a fine and / or to be censured, reprimanded or warned for any misconduct, unbusinesslike conduct or unprofessional conduct, fraudulent and unfair trade practices in the sense of the provision in that behalf contained herein.

i. **Misconduct:** Members shall be deemed guilty of misconduct for any of the following or similar acts or omissions namely:

a. Fraud: If it is convicted of a criminal offence or commits fraud or a fraudulent act which in the opinion of the Relevant Authority renders it unfit to be a Member;

b. Violation: If it has violated provisions of any statute governing the activities, business and operations of the Exchange, Members and Commodities business in general;

c. Improper Conduct: If in the opinion of the Relevant Authority it is guilty of dishonourable or disgraceful or disorderly or improper conduct on the Exchange or of willfully obstructing the business of the Exchange;

d. Failure To Testify or Give Information : If it neglects or fails or refuses to submit to the Relevant Authority or to a Committee or an Officer of the Exchange authorised in that behalf, such books, correspondence, documents and papers or any part thereof as may be required to be produced or to appeal and testify before or cause any of its partners, attorneys, agents, authorized representatives or employees to appear and testify before the Relevant Authority or such Committee or officer of the Exchange or other person authorised in that behalf;

e. Failure to Submit Audited Accounts: If it neglects or fails or refuses to submit its audited accounts to the Relevant Authority within such time as may be prescribed by

the Relevant Authority from time to time.

f. Failure to Compare or Submit Accounts with Defaulters' Committee: If it neglects or fails to compare its accounts with the Defaulters' Committee , if constituted or to submit to it a statement of its accounts with a defaulter or a certificate that it has no such account or if it makes a false or misleading statement therein;

g. Failure to Cooperate with Officials of the SEBI / Exchange Inspection / Audit or Otherwise : If it fails to cooperate with the Auditors/ officials of the SEBI / Exchange inspection / audit including system inspection/ Audit and or fails to furnish or submit any required documents, books of accounts, records, documents etc.

h. False or Misleading Returns: If it neglects or fails or refuses to submit or makes any false or misleading statement in its clearing forms or returns required to be submitted to the Relevant Authority under the Bye Laws, Rules and Business Rules;

i. Vexatious Complaints: If it or its agent brings before the Relevant Authority or a Committee or an officer of the Exchange or other person authorised in that behalf a charge, complaint or suit which in the opinion of the Relevant Authority is frivolous, vexatious or malicious;

j. Failure to Pay Dues and Fees: If it fails to pay its subscription, fees, arbitration charges or any other money which may be due by it or any fine or penalty imposed on it**.**

ii Un-businesslike Conduct: A Member shall be deemed guilty of un-businesslike conduct for any of the following or similar acts or omissions namely:

a. Fictitious Names: If it transacts its own business or the business of its constituent in fictitious names;
b. Fictitious Dealings: If it makes a fictitious transaction or gives an order for the purchase or sale of goods/commodities /securities the execution of which would involve no change of ownership or executes such an order with knowledge of its character;
c. Circulation of Rumors: If it, in any manner, circulates or causes to be circulated, any rumors
d. Prejudicial Business: If it makes or assists in making or with such knowledge is a party to or assists in carrying out any plan or scheme for the making of any purchases or sales or offers of purchase or sale of commodities /securities for the purpose of upsetting the equilibrium of the market or bringing about a condition in which prices will not fairly reflect market values;
e. Market Manipulation and Rigging: If it, directly or indirectly, alone or with other persons, effects transactions in any commodity to create actual or apparent active trading in such commodity/security or raising or depressing the prices of such commodity for the purpose of inducing purchase or sale of such commodity/goods by others;
f. Unwarranted Business: If it engages in reckless or unwarrantable or un-business like dealings in the market or effects purchases or sales for its constituent's account or for any account in which it is directly or indirectly interested which purchases or sales are excessive in view of its constituent's or his own means and financial resources or in view of the market for such commodity /security;
g. Compromise: if it connives at a private failure of a Member or accepts less than a full and bonafide money payment in settlement of a debt due by a Member arising out of a transaction in contracts / commodities;
h. Dishonoured Cheque: if it issues to any other Member or to its constituents a cheque which is dishonoured on presentation for whatever reasons;

i. Failure to carry trading with constituents: If it fails in the opinion of the Relevant Authority to carry out its committed transactions with its constituents;
j. Assured Fixed Returns on Investments: if it indulges, directly or indirectly, in any activity in the nature of assuring fixed returns on investments, portfolio management services, etc
k. Unsatisfactory Financial Condition: When in the opinion of the Relevant Authority it is in such financial condition that it cannot be permitted to do business with safety to its creditors or the Exchange.

iii Unprofessional Conduct: Members shall be deemed guilty of unprofessional conduct for any of the following or similar acts or omissions namely:

a. Business in Commodities /securities in which Dealings not Permitted: If it enters into dealings in contracts/ commodities in which dealings are not permitted;
b. Business for Defaulting Constituent: If it deals or transacts business directly or indirectly or executes an order for a constituent who has within its knowledge failed to carry out engagements relating to commodities /securities and is in default to another Member unless such constituent shall have made a satisfactory arrangement with the Member who is its creditor;
c. Business for Insolvent: If without first obtaining the consent of the Relevant Authority it directly or indirectly is interested in or associated in business with or transacts any business with or for any individual who has been bankrupt or insolvent even though such individual shall have obtained his final discharge from an Insolvency Court;
d. Business without Permission when Under Suspension: If without the permission of the Relevant Authority it does business on its own account or on account of a principal with or through a Member during the period it is required by the Relevant Authority to suspend business on the Exchange;
e. Business for or with Suspended, Expelled and Defaulter Members: If without the special permission of the Relevant Authority it shares brokerage with or carries on business or makes any deal for or with any Member who has been suspended, expelled or declared a defaulter;
f. Business for Employees of Other Members: If it transacts business directly or indirectly for or with or executes an order for an authorized representative of another Member without the written consent of such employing Member;
g. Business for Exchange Employees: If it makes a speculative transaction in which an employee of the Exchange is directly or indirectly interested;
h. Advertisement: If it advertises contrary to guidelines if any, issued by the Relevant Authority for advertisement by the Members.
i. Evasion of Margin Requirements: If it willfully evades or attempts to evade or assists in evading the margin requirements prescribed by the Relevant Authority and/or in Bye Laws and Business Rules;
j. Brokerage Charge / Clearing Fees: If it deviates from or evades or attempts to evade the Bye Laws and Business Rules relating to charging and sharing of brokerage/clearing fees.
k. Dealings with entities prohibited to buy or sell or deal: If it deals, directly or indirectly, in the course of its business with or transacts any business with or for any entity, which has been prohibited by the SEBI to buy or sell or deal in the commodity market.

iv Fraudulent And Unfair Trading Practices

a. No Trading Member shall buy, sell or deal in security contracts in a fraudulent manner or indulge in any unfair trade practices including market manipulation.
b. Without prejudice to generality of the provisions contained in the above clause, no person shall indulge in market manipulation, namely:
   i. effect, take part in or enter into either directly or indirectly transactions in security contracts, which are likely to have the effect of artificially raising or depressing

or stabilising the price of security contracts;

ii. indulge in any act, which is calculated to create a false or misleading appearance of trading on the security market or, results in reflection of prices of security contracts based on transactions, which are not genuine trade transactions ; or

iii. purchase or sell any commodity security not intended to effect transfer of beneficial ownership but as a device to maintain, inflate, depress, or cause fluctuations in the market price of security contracts; or

iv. pay, offer or agree to pay or offer, directly or indirectly, to any person to purchase or sell any contract in security with the sole object to maintain, inflate, depress, or cause fluctuations in the market price of commodity contracts/ security contracts.

c. No person shall make a statement, or disseminate information which is misleading in a material particular which is likely to induce the sale of securities contracts by other persons or is likely to have the effect of maintaining or stabilising the market price of securities contracts if, when he makes or disseminates the information:

i. he does not care whether the statement or information is true or false;

ii. he knows or ought to reasonably know that the statement or information is false or misleading in material.

d. No Member Shall

i. engage in any act, practice in course of his business, which would operate as a fraud or deceit upon any person in connection with the purchase or sale of any securities / contracts; or

ii. buy, sell or deal in securities / contracts on his own behalf or on behalf of a person associated with him pending the execution of the order of his constituent or of his company or director for the same contracts in commodity futures/ securities; or

iii. delay the transfer of commodities /securities or securities / contracts in the name of the transferee which results in the price of the commodities /securities or /contracts in securities increasing; or

iv. involve in any activity in the nature of any off-market trades, illegal trades, trades executed outside the Exchange platform or any such activity prohibited under the provisions of the SCRA and Rules and Regulations made thereunder and SEBI Act and Rules and Regulations made thereunder or relevant Bye Laws, Rules and Regulations of the Exchange.

v. indulge in falsification of his books, accounts and records; or

vi. When acting as an agent execute a transaction with a constituent at a price other than the price at which it was executed on the Exchange or other than the price it was off-set against the transaction of another constituent; or

vii. either take opposite position to an order of a constituent or shall execute opposite orders which he is holding in respect of two constituents except in the manner laid down by the Exchange.

v. Trading Member's Responsibility For Partners, Agents And Employees

A Trading Member shall be fully responsible for the acts and omissions of its authorised officials, attorneys, agents, authorised representatives and employees and if any such act or omission be held by the Relevant Authority to be one which if committed or omitted by the Trading Member would subject it to any of the penalties as provided in the Bye Laws, Rules and Regulations of the Exchange then such Trading Member shall be liable therefor to the same penalty to the same extent as if such act or omission had been done or omitted by itself.

11. SUSPENSION/EXPULSION OF MEMBER

i. Suspension On Failure To Provide Margin Deposit And/Or Capital Adequacy Requirements

The Relevant Authority shall require a Trading Member to suspend its business when it fails to provide the margin deposit and/or meet capital adequacy norms as provided in the Bye Laws, Rules and Regulations and the suspension of business shall continue until it furnishes the necessary margin deposit or meet capital adequacy requirements. The Relevant Authority may expel a Trading Member acting in contravention of this provision.

ii. Suspension of Business

The Relevant Authority may require a Trading Member to suspend its business in part or in whole:

a. Prejudicial Business : When in the opinion of the Relevant Authority , the Trading Member conducts business in a manner prejudicial to the Exchange by making purchases or sales of securities or offers to purchase or sell securities for the purpose of upsetting equilibrium of the market or bringing about a condition of demoralisation in which prices will not fairly reflect market values, or
b. Unwarrantable Business : When in the opinion of the Relevant Authority it engages in unwarrantable business or effects purchases or sales for its constituent's account or for any account in which it is directly or indirectly interested which purchases or sales are excessive in view of its constituent's or its own means and financial resources or in view of the market for such security, or
c. Unsatisfactory Financial Condition : When in the opinion of the Relevant Authority it is in such financial condition that it cannot be permitted to do business with safety to its creditors or the Exchange.

iii. Removal of Suspension

The suspension of business under clause ii above shall continue until the Trading Member has been allowed by the Relevant Authority to resume business on its paying such deposit or on its doing such act or providing such thing as the Relevant Authority may require.

Penalty for Contravention
A Trading Member who is required to suspend its business shall be expelled by the Relevant Authority if he acts in contravention of this provision.

Trading Members and others to testify and give information A Trading Member shall appear and testify before and cause its partners, attorneys, agents, authorised representatives and employees to appear and testify before the Relevant Authority or before other Committee(s) or an officer of the Exchange authorised in that behalf and shall produce before the Relevant Authority or before other Committee(s) or an officer of the Exchange authorised in that behalf, such books, correspondence, documents, papers and records or any part thereof which may be in its possession and which may be deemed relevant or material to any matter under inquiry or investigation.

iv. Explanation Before Suspension Or Expulsion

A Trading Member shall be entitled to be summoned before the Relevant Authority and afforded an opportunity for explanation before being suspended or expelled but in all cases the findings of the Relevant Authority shall be final and conclusive.

v. Temporary Suspension

a. Notwithstanding what is contained in clause (iv) herein above if in the opinion of the Managing Director it is necessary to do so, he may, for reasons to be recorded in writing, temporarily suspend a Trading Member, pending completion of the proceedings for suspension under this chapter by the Relevant Authority , and no notice of hearing shall be required for such temporary suspension and such temporary suspension shall have the same consequences of suspension under this chapter.
b. A notice to show cause shall be issued to the Trading Member within five working days of such temporary suspension.
c. Any such temporary suspension may be revoked at the discretion of the Managing Director, for reasons to be recorded in writing, if the Managing Director is satisfied that the circumstances leading to the formations of opinion of the Managing Director to effect temporary suspension, have ceased to exist or are satisfactorily resolved.
d. A Trading Member aggrieved by the temporary suspension may appeal to the Relevant Authority , provided that such appeal shall not automatically suspend the temporary suspension unless otherwise directed by the Relevant Authority .

vi. Effect Of Suspension Of Registration By SEBI

Notwithstanding anything contained in any of the Byelaws and Rules of the Exchange, if the registration of a Trading Member is suspended by SEBI, such Trading Member shall ipso facto stand suspended from the Trading Membership of the Exchange for the period of suspension, so imposed by SEBI or till such suspension is in force.

vii.Imposition of Penalties

The penalty of suspension, withdrawal of all or any of the Membership rights, fine, censure or warning may be inflicted singly or conjointly by the Relevant Authority . The penalty of expulsion may be inflicted by the Relevant Authority .

viii.Pre-determination of Penalties

The Relevant Authority shall have the power to pre-determine the penalties, the period of any suspension, the withdrawal of particular Membership rights and the amount of any fine that would be imposed on contravention, non-compliance, disobedience, disregard or evasion of any Bye Law, Rules or Regulation of the Exchange or of any resolution, order, notice, direction, decision or ruling thereunder of the Exchange, the Relevant Authority or of any other Committee or officer of the Exchange authorised in that behalf.

ix. Expulsion of a Member of the Exchange

In addition to the grounds mentioned elsewhere in these presents, the Board may expel any Member of the Exchange from the Membership of the Exchange in the following cases:

a. Where a Member of the Exchange fails or has failed to carry out any award made in arbitration proceedings held by the Exchange, or held under provisions of these presents, or under the Bye-Laws, Rules and Regulations framed under any power conferred under these presents, within twenty-one (21) days of the communication of the award or such further period as the Board may extend on the written application of the party;

b. Where a Member of the Exchange has refused to submit a dispute to arbitration, which by the provisions of these presents, is required to be submitted to arbitration and institutes any suit or legal proceeding in contravention of the provisions of these presents.

x.Permission Necessary For Legal Representation

No person shall have the right to be represented by professional counsel, attorney, advocate or other representative in any investigation or hearing before the Relevant Authority or any other Committee unless the Relevant Authority so permits.

xi. Failure To Pay Fines And Penalties

If a Trading Member fails to pay any fine or penalty imposed on it within such period as prescribed from time to time by the Relevant Authority after notice in writing has been served on it by the Exchange it may be suspended by the Relevant Authority until it makes payment and if within a further period as prescribed from time to time it fails to make such payment it may be expelled by the Relevant Authority .

xii.Board's discretion in lieu of suspension/expulsion

a. The Board or the Relevant Authority in its absolute discretion may in any case suspend a Member of the Exchange in lieu of the expulsion warranted or may withdraw one or any of the Membership rights or impose a fine in lieu of suspension or expulsion warranted and may direct that the guilty Member of the Exchange be censured or warned or may reduce or remit any such penalty on such terms and conditions as it deems fair and equitable.

b. The Board or the Relevant Authority may of its own motion or on appeal by the Member of the Exchange concerned reconsider and may rescind, revoke or modify its resolution withdrawing all or any of the Membership rights or fining, censuring or warning any Member of the Exchange. In a like manner the Board or the Relevant Authority may rescind, revoke or modify its resolution suspending any Member of the Exchange.

Provided that where any expulsion, suspension or other penalty as aforesaid is imposed in accordance with the directions of the SEBI, Government or other authority issued in exercise of any powers conferred on them by the Act or the Rules framed thereunder, then the Board or the Relevant Authority shall not exercise the power to rescind or revoke or modify the same, except with the previous sanction of the authorities concerned

xiii.Effect Of Suspension Of Member Of The Exchange

The suspension of a Member of the Exchange shall have the following:

a. The suspended Member of the Exchange shall, during the term of his suspension, be deprived of and excluded from all the rights and privileges of Membership of the Exchange but he may be proceeded against by the Board or the Relevant Authority for any offence committed by him either before or after his suspension and the Board shall not be debarred from taking cognisance of and adjudicating on or dealing with any claim made against him under these presents, Bye- Laws, Rules and Regulations;
b. The suspension shall not affect the rights of the Exchange and/or other Members of the Exchange who are creditors of the suspended Member of the Exchange;
c. The suspension shall create a vacancy in any office or position held by the suspended Member of the Exchange;
d. The suspended Member of the Exchange shall be bound to fulfil contracts outstanding at the time of his suspension; and
e. The suspended Member of the Exchange shall not, during the term of his suspension, clear and register any contracts at the Exchange, provided that he may with the permission of the Board close out through other Members of the Exchange the transactions outstanding at the time of his suspension.

xiv.Effect Of Expulsion Of A Member Of The Exchange

The expulsion of a Member of the Exchange shall have the following consequences:

a. The expelled Member of the Exchange shall forfeit to the Exchange his rights of Membership of the Exchange and all his rights and privileges as a Member of the Exchange including any right to the use of or any claim upon or any interest in any

property or funds with the Exchange including guarantee fund; but any liability of any such Member of the Exchange to the Exchange or to any Member of the Exchange shall continue and remain unaffected by his expulsion;

b. The right of nomination shall vest in the Exchange/Board and shall not be exercised by the expelled Member of the Exchange;
c. The expulsion shall create a vacancy in any office or position held by the expelled Member of the Exchange;
d. The expulsion shall not affect the rights of the Exchange and Members of the Exchange who are creditors of the expelled Member of the Exchange; and
e. The expelled Member of the Exchange shall be bound to fulfill transactions and obligations outstanding at the time of his expulsion and he may with the permission of the Board or the Relevant Authority close such outstanding transactions with or through another Member of the Exchange.
f. Consequences of declaration of defaulter to follow:
The provisions of Rules, Bye-Laws and Business Rules/ Regulations pertaining to default, shall become applicable to the Member expelled from the Exchange as if such Member has been declared a defaulter.
g. No Member shall transact business for or with or share brokerage with the expelled Member.

xv. Board To Notify Suspension, Expulsion And Default Of A Member Of The Exchange

Notice shall be given to the Member of the Exchange concerned and to the Members of the Exchange in general, by a notice on the notice Boards of the Exchange or on the trading system, Exchange of the expulsion or suspension of or of the suspension of business by a Member of the Exchange or of any other penalty imposed upon him or his partners, attorneys, agents, authorized representatives or other employees. The Board or the Relevant Authority may in its absolute discretion and in such manner as it thinks fit notify or cause to be notified to the Members of the Exchange and Members of the Exchange or to the public that any person who is named in such notification has been expelled, suspended, penalised, or declared a defaulter or has suspended his business or ceased to be a Member of the Exchange. No action or other proceedings shall in any circumstances be maintainable by such person against the Exchange or the Board or the Relevant Authority or any Member of the Board or any officer or employee of the Exchange for the publication or circulation of such notification.

12. SAVING CLAUSE

a. Nothing contained in the Rules, Bye-laws and Regulations (New Rules, Bye-laws and Regulations) shall affect the Rules, Bye-laws and Regulations (Old Rules, Bye-laws and Regulations) which were in force and operation prior to New Rules, Bye-laws and Regulations came into force in relation to any deals and/or contracts, rights and obligations accrued and arisen, action/s, decision/s, disciplinary proceedings initiated, pending, decided or any proceedings pending and/or decided etc. thereunder and all such matters shall continue to be governed under the Old Rules, Bye-laws and Regulations.

b. All dealings and/or contract entered into and/or executed after New Rules, Bye-laws and Regulations come into force and all matters including rights, duties, obligations, actions proceedings arising pursuant thereto shall be subject to and be governed in accordance with New Rules, Bye-laws and Regulations of the Exchange and circulars/directions issued by Exchange/Relevant Authority from time to time.

c. Power To Provide Clarification

In case of any difficulty in implementing the provisions of Old Rules, Bye-laws and Regulations or New Rules, Bye-laws and Regulations or in case of a conflict between Old Rules, Bye-laws Regulations and New Rules, Bye-laws and Regulations, the Exchange has the power to provide clarification, if the circumstances demand and such clarification shall be final and binding on all persons.

d. Reference to provisions of Old Rules, Bye-laws and Regulation

On New Rules, Bye-laws and Regulations coming into force, any reference to the provisions of old Rules, Bye-laws and Regulations may be construed to refer to the corresponding provision as provided in the New Rules, Bye-laws and Regulations unless the context requires otherwise.

Date: 29.01.2026
Place: Mumbai

Kaushal A. Mehta,
Head - Legal.

Multi Commodity Exchange Clearing Corporation Limited

Exchange Square, CTS No. 255, Suren Road, Chakala, Andheri (East), Mumbai – 400093
CIN: U74999MH2008PLC185349

Securities and Exchange Board of India ("SEBI") vide its letter no. HO/47/25/12(1)2026-MRD-RACI/I/10845/2026 dated May 05, 2026, approved the following amendments in the Memorandum of Association ("MOA") and Articles of Association ("AOA") of Multi Commodity Exchange Clearing Corporation Limited ("MCXCCL") as proposed on March 25, 2026. The said amendments to the MOA and AOA of MCXCCL shall be effective from the date of its publication in the Official Gazette of India.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Earlier Clause	Revised Clause
V. (a) "The Authorized Share Capital of the Company is Rs. 300,00,00,000/- (Rupees Three Hundred crore only) divided into 30,00,00,000 (Thirty crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.	V. (a) "The Authorised Share Capital of the Company is Rs. 400,00,00,000 (Rupees Four Hundred Crore only) divided into 40,00,00,000 (Forty Crore) Equity Shares of Rs. 10/- (Rupees Ten only) each.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Earlier Article	Revised Article
138. CONSTITUTION OF THE BOARD a. The number of Directors shall not be less than three or more than eight, inclusive of Non-Independent Directors, Public Interest Directors and the Managing Director. The number of Directors may be increased beyond eight after passing a special resolution.	**138. CONSTITUTION OF THE BOARD** a. The number of Directors shall not be less than three or more than eleven, inclusive of Non-Independent Directors, Public Interest Directors, Executive Directors and the Managing Director. The number of Directors may be increased beyond eleven after passing a special resolution.
140. COMPOSITION OF THE GOVERNING BOARD a. The governing board of the Company shall include: i. non- independent directors, ii. public interest directors, and iii. managing director	**140. COMPOSITION OF THE GOVERNING BOARD** a. The Governing Board of the Company shall include: i. Non- Independent Directors, ii. Public Interest Directors, iii. Managing Director and iv. Executive Directors.

Earlier Article	Revised Article
N.A.	**150A. EXECUTIVE DIRECTOR** a. The Company may appoint three Executive Directors as Key Management/Managerial Personnel who shall head Vertical 1 (Critical Operations), Vertical 2 (Regulatory, Compliance, Risk Management and Investor Grievances) and Vertical 3 (Other Functions) from time to time. b. Terms, conditions, roles & responsibilities, conditions, process and manner of appointment etc., shall be as per SECC Regulations, 2018 (as amended from time to time) and any clarifications, circulars issued in that regard. The stature of Executive Directors shall be similar to that of the Managing Director.
160. DIRECTORS TO RETIRE ANNUALLY, HOW DETERMINED At every Annual General Meeting of the Company other than the first Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. Provided that the Public Interest Director(s) nominated by SEBI, the Managing Director(s), and Whole Time Director(s), if any, shall not be liable to retirement by rotation and shall not be counted for the purpose of determining the number of directors liable to retire by rotation.	**160. DIRECTORS TO RETIRE ANNUALLY, HOW DETERMINED** At every Annual General Meeting of the Company other than the first Annual General Meeting, one-third of such of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. Provided that the Public Interest Director(s) nominated by SEBI, the Managing Director(s), Whole Time Director(s)/ Executive Director(s) shall not be liable to retire by rotation and shall not be counted for the purpose of determining the number of directors liable to retire by rotation.
188 APPOINTMENT AND REMOVAL OF KEY MANAGERIAL PERSONNEL a. Subject to the provisions of the Act, SECC Regulations, directions and guidelines of SEBI, a managing director, a joint managing director, a deputy managing director, a whole time director, chief executive officer, company secretary, chief financial officer, Head of Department or any other officer as may be identified by the Board of Directors to be the key managerial personnel for such term, at such remuneration and upon such conditions as it may think fit.	**188. APPOINTMENT AND REMOVAL OF KEY MANAGERIAL PERSONNEL/KEY MANAGEMENT PERSONNEL** a. Subject to the provisions of the Act, SECC Regulations, directions and guidelines of SEBI, a Managing Director, a joint Managing Director, a deputy Managing Director, a Whole Time Director/ Executive Director, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Department or any other officer as may be identified by the Board of Directors to be the Key Managerial Personnel/ Key Management Personnel for such term, at such remuneration and upon such conditions as it may think fit.

Earlier Article	Revised Article
192 COMPENSATION OF KEY MANAGEMENT PERSONNEL e. The compensation payable to the managing director shall be as approved by the Board (SEBI) and the terms and conditions of the compensation of the managing director shall not be changed without prior approval of the Board (SEBI).	**192. COMPENSATION OF KEY MANAGEMENT PERSONNEL/ KEY MANAGERIAL PERSONNEL** e. The compensation payable to the Managing Director and Executive Director(s) shall be as approved by the Board (SEBI) and the terms and conditions of the compensation of the Managing Director and Executive Director(s) shall not be changed without prior approval of the Board (SEBI).
230. INDEMNITY TO DIRECTORS AND OTHERS The Board of Directors, Managing Director, Managers, Secretary and other Officers or other employees for the time being of the Company, Auditor and the trustee, if any, for the time being acting in relation to any of the affairs of the Company, and every one of them and every one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damage, and expenses which they or any of them, or their executors or administrators shall or may incur or sustain by reason of any act done, occurred in or omitted in or about the execution of their duty, or supposed duty, their respective offices or trusts, except such, if any, as they shall incur or sustain through or by their own willful neglect or default respectively.	**230. INDEMNITY TO DIRECTORS AND OTHERS** The Board of Directors, Managing Director, Executive Director(s), Managers, Secretary and other Officers or other employees for the time being of the Company, Auditor and the trustee, if any, for the time being acting in relation to any of the affairs of the Company, and every one of them and every one of their heirs, executors and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damage, and expenses which they or any of them, or their executors or administrators shall or may incur or sustain by reason of any act done, occurred in or omitted in or about the execution of their duty, or supposed duty, their respective offices or trusts, except such, if any, as they shall incur or sustain through or by their own willful neglect or default respectively.
231. INDEMNITY AGAINST LIABILITY INCURRED IN DEFENDING ETC. CIVIL OR CRIMINAL ACTIONS Every Director, Managing Director, Manager, Secretary or other Officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in their or his favour or in which they or he is acquitted or in connection with any application under Section 463 of the Act in which relief is given to him by the Court.	**231. INDEMNITY AGAINST LIABILITY INCURRED IN DEFENDING ETC. CIVIL OR CRIMINAL ACTIONS** Every Director, Managing Director, Executive Director(s), Manager, Secretary or other Officer or employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in their or his favour or in which they or he is acquitted or in connection with any application under Section 463 of the Act in which relief is given to him by the Court.

For Multi Commodity Exchange Clearing Corporation Limited,

MANDAR KULKARNI,
Company Secretary.

Date : May 11, 2026,
Place : Mumbai.

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